ViCTory VCT PLC
ANNUAL REPORT & FINANCIAL STATEMENTS
For the year ended 31 January 2011

Amati
Global Investors

Finely crafted investments

CONTENTS

Highlights

- NAV per share increase for the year of 12.9%.
- NAV plus cumulative dividends of 57.26p per share at 31 January 2011. This includes cumulative dividends paid to date of 9.75p per share.
- Proposed final dividend of 2.0p per share.

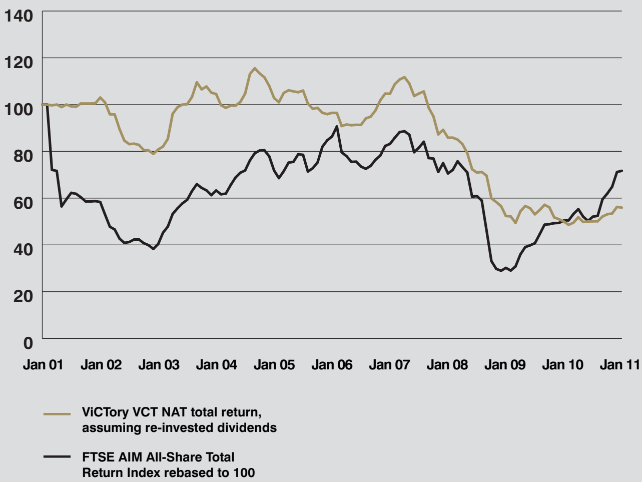
Corporate objective

The objective of ViCTory VCT PLC (the "Company") is to provide shareholders with an attractive and competitive investment return from a portfolio of companies whose shares are primarily traded on the Alternative Investment Market ("AIM"). The Manager's continuing objective is to manage the current portfolio so as to maximise returns for investors for the qualifying period and beyond.

Fund performance

Total NAV return since inception assuming re-invested dividends up to 31 January 2011 was -44.05%. Over this period the FTSE AIM All-Share total return index has shown a return of -28.31%.

ViCTory VCT NAV total return assuming re-invested dividends and FTSE AIM All-Share total return index:



Key data

	31/01/11	31/01/10 Restated*
Total Net Asset Value ("NAV")	£20.7m	£18.3m
Shares in issue	43,557,324	43,557,324
NAV per share	47.5p	42.1p
Share price	40.5p	32.8p
Market capitalisation	£17.6m	£14.3m
Share price discount to NAV	14.7%	22.1%
Total return for the year (assuming re-invested dividends)	12.9%	-5.3%
FTSE AIM All-Share total return index	42.2%	67.0%
Total expense ratio	2.9%	3.2%
Dividends declared during the year	-	-

Restated – see Note 12 on page 44.

Dividends declared since launch

Year ended 31 January	Total dividends declared p	Ordinary share Cumulative dividends declared p
2002	1.70	1.70
2003	0.80	2.50
2004	0.25	2.75
2005	0.50	3.25
2006	0.00	3.25
2007	2.00	5.25
2008	4.00	9.25
2009	0.50	9.75
2010	0.00	9.75
2011 proposed	2.00	11.75

Table of investor returns to 31 January 2011

	Launch date	NAV total return with dividends re-invested	NAV total return with dividends not re-invested	FTSE AIM All-Share total return index
ViCTory VCT	29 January 2001	(44.05)%	(39.73)%	(28.31)%
Singer & Friedlander AIM VCT	28 September 1998	(70.72)%	(42.02)%	22.97%
Singer & Friedlander AIM 2 VCT	29 February 2000	(57.12)%	(52.51)%	(62.04)%
Singer & Friedlander AIM 3 VCT ('C' shares)	4 April 2005	(38.63)%	(35.38)%	(7.59)%

Company Overview

The Board is pleased to report that the many changes made in the year under review have resulted in an encouraging start to rebuilding the Company's net assets and improving the outlook for our shareholders:

- The Company's net asset value per share has increased from 42.1p to 47.5p – an increase of approximately 12.9%
- The Company's share price has risen from 32.8p to 40.5p – an increase of approximately 23.5%
- A dividend of 2.0p per share will be recommended to the Company's annual general meeting – the last dividend paid to our shareholders was 0.5p per share in respect of the year ended 31 January 2009

In welcoming this upturn in the Company's performance, the Board is fully aware that much remains to be done. However, the Directors are considerably more optimistic than we were a year ago.

Investment Performance

The most significant changes made in the year were the appointment of a new fund manager, Amati Global Investors ("Amati"), and shareholder adoption of a revised investment mandate. Both changes have made a telling contribution to the Company's strengthened net asset position.

Amati has already made considerable progress with the restructuring of the investment portfolio. Although completion of the restructuring will necessarily take some time yet – it depends on finding buyers for unwanted holdings and on sourcing suitable new VCT qualifying investments – the work done to date is reaping benefits. A comparison of the actual portfolio performance with how the portfolio would have performed if it had been unaltered from the date Amati started, 22 March 2010, (after deducting the expenses net of income for the year) reveals that the actual net asset value per share is some 10% higher than it would have been for the unaltered portfolio.

The benefit of revising the investment mandate was to allow greater flexibility in making non-qualifying investments so that the non-qualifying portfolio could be restructured to give the Company access to investments which could not be included in the qualifying portfolio.

A full report on the Company's investment performance over the year is given in the Fund Manager's Review on pages 4 to 9.

Financial Performance

The Board has already commented on the growth in the Company's net assets over the year. The Company also made a pleasing return to profitability posting a profit on ordinary activities after tax of £2.362million, comprising a capital profit of £2.471 million and a revenue loss of £0.109million. These results produced a revenue loss per share of (0.25)p and a capital return per share of 5.67p.

The principal driver of the improved results was a marked upturn in the performance of the Company's investment portfolio with a modest contribution coming from a reduction in the annual expenses.

In the Half-Yearly Report's Board Review, the Board signaled its determination to resume paying dividends at the earliest possible point. It is therefore pleasing to report that a final dividend of 2.0p per share will be recommended to the annual general meeting.

Corporate Matters

Another of the changes made in the year was the appointment of PKF (UK) LLP ("PKF") as the Company's auditors. Discussion about the treatment of the merger reserve, has resulted in a refinement of the transfer between distributable and non-distributable reserves which was reported in the half-yearly report. There was also agreement that the Company's financial statements covering the period from 1 August 2008 to 31 January 2010 did not report sufficient distributable reserves to permit share buybacks during that period but would have done so had the accounting treatment now reported for the merger reserve been reflected from the date of the merger in 2006 of the three Singer & Friedlander AIM VCTs. Consequently, the buybacks effected in that period between the Company and the brokers (who had bought the shares from the Company's shareholders) are deemed void under company law. This position will be rectified following the publication of this annual report. Meanwhile, the accounting treatment of the prevailing status of the buybacks as at 31 January 2011 has necessitated the reintroduction to the accounts of the shares which were the subject of the void buybacks and the inclusion in the Company's balance sheet as at 31 January 2011 of a corresponding debtor due from the brokers which participated in the buybacks. The impact of these changes is shown in the Notes to the Accounts at Note 9 (debtor for the cost of the void share buy backs), Note 11 (an increase in the called up share capital) and Note 12 (the restatement of opening reserves and share capital). In summary, they have produced a reduction in net asset value per share – a reduction, however, which is temporary and will disappear with the reversal of these changes immediately after the publication of the annual report.

Outlook

The principal focus of the year ending 31 January 2012 will be the continued restructuring of the Company's investment portfolio. Amati has made a solid start to this major task in its first ten months and is committed to delivering shareholder value.

The Board is also determined to ensure that you are given every opportunity to be fully informed about the Company's progress. Amati maintains an informative website for the Company – www.amatiglobal.com - on which monthly investment updates, performance information, and all relevant documentation can be found; also, please do not hesitate to contact the Company Secretary on 0131 243 7215 if you have any queries or use the dedicated email enqury service which is available through vct-enquiries@amatiglobal.com.

Thank you for your support.

Christopher Moorsom (Chairman)
James Hambro
Mike Killingley
David Page

Directors of ViCTory VCT PLC

9 May 2011

Market review

The underlying tone of the UK stock market throughout the period under review to 31 January 2011 has been that of continued recovery from the deep shocks which arose out of the financial crisis of 2008-9. The "V" shaped recovery that we have witnessed has been driven by expansionary policies of an extraordinary nature across developed economies. The market rose strongly from February to a short term peak in April, when confidence was dented by the government debt crises in Greece and Ireland, liquidity tightening in China, and question marks over the pace of economic recovery in the US and Europe. After retracing all of the year's earlier gains, reaching a low at the end of June, confidence returned after European governments sent a clear message that they would act to prevent default on government debt within the Eurozone, and investors' attention reverted to the strong pace of recovery in global business. With corporate profits generally running ahead of expectations during the last six months of the period, against a backdrop of very low interest rates in most developed economies, the market rose strongly through to the end of January 2011.

The change of government at the May elections marked the end of a political dynasty in New Labour, and the start of something unknown to most of us previously, coalition government. The new government has taken on the unenviable political challenge of addressing the chronic budget deficit which had been built up progressively during the previous five years. The Chancellor made it clear with an early Emergency Budget that fiscal policy would swing firmly away from public spending excess, towards austerity and cut-backs. The scale of the deficit, however, means that the required cut-backs are on a huge scale, just in order to eliminate the so-called 'structural' portion of the deficit, which is that part which is expected to remain even at the top of an economic cycle. In seeking to tackle this early on, rather than postponing the painful decisions until later, the UK is something of an exception in the G7. This has fuelled debate about whether the US approach of continuing to pump liquidity into the banking system (through the second round of Quantitative Easing, known as "QE2") and continuing with the tax cuts of the previous administration (effectively simply ignoring the mounting deficits) may in fact be a preferable approach. However, advocates for postponing cuts have tended to be dismissive of the profound risks involved in such a policy. Our view is that these risks should not be contemplated by countries which do not have the benefit of printing the world's reserve currency. This has been explored in detail in a lucid paper entitled 'Easy Policies Today, Rude Awakening Tomorrow' which forms Chapter 1 of the Barclays Capital Equity Gilt Study 2011 ("the Equity Gilt Study"). Given the national importance and contested nature of this debate, we have included our analysis of UK fiscal policy as an appendix to this report.

Performance

The total return for the year to 31 January 2011 was 12.9%, which compares to a rise in the FTSE AIM All-Share Total Return Index of 42.2%. Once again the performance of AIM was significantly boosted by its large exposure to resources companies, which have proven to be the hottest area of the market during this recovery phase. This has been driven by the rapid return to growth of Chinese demand, and a large scale programme of acquisition and investment by Chinese state-owned companies in natural resource projects around the world, including those managed by a number of AIM quoted companies. The RBS HGSC Index 2011 study written by Elroy Dimson and Paul Marsh published an analysis showing that the FTSE AIM All-Share Index would have risen by 21% less than it did during 2010 if resources stocks were excluded. By way of comparison the FTSE All-Share Total Return Index rose by 18.1% during the period, and the FTSE SmallCap Total Return Index rose by 19.3%. In the past ViCTory has had little or no exposure to the natural resources sector. During the year a number of investments in the sector were made, but the portfolio will always be heavily under-weight compared to AIM as a whole, in virtue of the fact that qualifying investments in the sector are rare. Nearly all of the positive performance for both the portfolio and the benchmark index came in the second half. There has been a large amount of activity in the portfolio during the period, as outlined below, and the bulk of the costs of restructuring have now been paid, with the benefits starting to show in the second half.

The largest positive contributions came from some of the biggest qualifying holdings: **Synergy Health**, which rose by 43.1%, **Tikit Group**, which rose by 85.6%, **Prezzo**, which rose by 64.9%, and **Lo-Q**, which rose by 61.8%. These stocks, which have been in the portfolio for a long time, now provide a very solid core to the qualifying portfolio, although Synergy Health, having moved to the main market, is now approaching the point at which it will become non-qualifying. Positive performances from stocks which we added as new holdings during the year included **Entertainment One**, which rose by 147.8%, **Sterling Resources**, which rose by 43.1%, **Asian Citrus Holdings**, which rose by 52.0%, and **Egdon Resources**, which rose by 56.0%. The strength of these price moves gives testament to the pick-up in market sentiment during the year, as well as strong trading conditions for these individual companies.

On the negative side **Connaught**, one of the largest holdings in the portfolio at the start of the year, went into administration. As reported at the half-year we sold the holding at an average price of 216p per share prior to its demise, but this was still 31.2% down on the start of the period. **Green Compliance**, a holding to which we added during the year, has also fallen sharply, and is currently languishing. However, this is due to a stock overhang, and not any weakness in trading, and we expect this to be resolved in due course. **Mediwatch** has been highly illiquid throughout the year and, despite our best efforts, we were unable to sell the holding before the company produced a poor trading update. This was a substantial position in the portfolio at the start of the year, which has fallen by 58.3%. We have been reducing it continually throughout the period, and it is no longer a significant holding.

Transactions

Amati was appointed as Manager on 22 March 2010, and since taking this on Douglas Lawson and I have undertaken an extensive restructuring of the portfolio, with the aim of selling out of holdings we regard as low quality, re-building the qualifying portfolio with relatively more mature companies, and introducing a non-qualifying investment strategy which has the potential to produce a more well-balanced overall portfolio, providing exposure to the most attractive global investment themes that we can identify amongst UK quoted small and mid-sized companies.

Qualifying portfolio

There has been a dearth of VCT qualifying IPO activity on AIM for the last two years. As such, our new qualifying investments relied mostly on secondary offerings by companies well known to us. This approach has the benefit that the companies involved are those we have known for some time, and are now well past the IPO stage of development. We invested a total of £2.45m in qualifying companies over the year. Of this total, £1.1m was invested in the four months that we managed the portfolio during the first half. These investments included: **Egdon Resources**, an oil and gas company with a collection of onshore UK assets, and some further afield; **Bglobal**, which designs, installs and manages smart meters; and **Fulcrum Utility Services**, which provides engineering and project management for unregulated gas connections to the grid (those over 23 metres from the gas distribution network). We are pleased with the progress that each of these businesses has made since we invested. We made four qualifying investments in the second half, all in November: **IS Pharma**, a European speciality pharma business; **Tristel**, a manufacturer of infection and contamination control products; **Corac Group**, a company commercialising the technology for a downhole gas compressor; and **Ubisense Trading**, a private company due to float later this year, which develops, manufactures and sells real time location systems for a wide range of manufacturing applications. IS Pharma has recently been bid for by Sinclair Pharma in an all paper transaction. If the deal goes ahead the holding will become non-qualifying after two years as Sinclair Pharma is fully listed in London. The combined entity will be capitalised at over £125m.

Having made a good level of new qualifying investments we had the scope to sell down a significant number of qualifying holdings, raising just over £4.34m in total. We sold companies that we regarded as over-leveraged, too small to be quoted, or too high risk, targeting natural points of liquidity wherever possible, and seeking not to put pressure on the share prices. The proceeds were deployed into the new qualifying holdings outlined above, and into bolstering the non-qualifying portfolio. Investments we sold include **Arcontech Group**, **Autoclenz Holdings**, **Avisen Corporation**, **Conexion Media Group**, **Connaught**, **Cyan**, **First Artist**, **Freshwater UK**, **LiDCO Group**, **Lipoxen**, **Optimisa**, **Petards Group**, **The Real Good Food Company**, **SocialGo**, **Synchronica**, and **Tanfield Group**. This has taken us a long way through the restructuring programme.

Non-qualifying portfolio

Following the change of investment mandate voted on by shareholders in July, we sold down the holdings in UK Government bonds, from which we realised £4.13m in total during the year, and began to build up a diverse non-qualifying portfolio, spending a total of £6.60m in the period. We have also sold £1.99m of non-qualifying stocks during the year, some £0.45m of which were disposals of legacy holdings, such as **Advanced Power Components**, **Connaught**, and **Parseq** (formerly Intelligent Environments Group), and the remainder being holdings purchased by us earlier in the year and then sold at a profit. These included a number of oil and gas stocks: **Bowleven**, **Cove Energy**, **Gulfsands Petroleum**, and **Rockhopper**; as well as **NCC Group**, the network security testing and software escrow business.

In putting together the non-qualifying portfolio we have sought to introduce attractive themes to the portfolio which will not be accessible in the qualifying holdings, mostly in the form of companies which are significantly larger and more liquid than would normally be found in a qualifying investment. A particular aim has been to incorporate exposure to the growth of the Chinese and Indian domestic economies. We have achieved this through investments in: **Asian Citrus Holdings,** China's largest independent orange grower; China Food Company, a Chinese soy sauce producer; **Sorbic International,** a Chinese sorbic acid manufacturer; and **Skil Ports and Logistics**, an Indian port infrastructure company. Other holdings purchased include, **Anglo Pacific Group**, which owns a large portfolio of mining royalties as well as some equity investments in mining companies; **Advanced Medical Solutions Group**, an advanced woundcare business which has recently launched a key new product in the US; **Elementis**, and mid-cap speciality chemicals company; **Hargreaves Services**, a diverse UK energy business focussed on coal mining, trading and logistics; and **RPC Group**, the leading European manufacturer of rigid plastic containers.

VCT objectives

The recent UK Budget has proposed some changes to the VCT legislation which we regard as very helpful for AIM VCTs, including the raising of the gross assets test for qualifying investments back to £15m, from its current level of £7m, and rebasing the restriction on employee numbers to 250 from the current level of 50. These will only come into effect from 6 April 2012, and then only if the changes are approved by Brussels in relation to the EU State Aid rules. Whilst the rule changes probably won't affect ViCTory because all of the funds raised operate under old VCT rules, which include the £15m gross assets test, and no limitation on the numbers of employees, they could serve to bring back a flow of new funds to the industry, which would be good for stimulating new deal activity.

Outlook

Having staged an impressive V-shaped recovery from the despair of early 2009, the global economy remains in an expansionary phase, but the risks during the next part of the current business cycle are increased through financial imbalances in some key western economies. In Europe it is becoming accepted as a given that further bailouts will be needed within the Eurozone. If this is limited to Ireland and Portugal it would be a good result. In the longer run, for the reasons discussed above in relation to the UK, current US fiscal policy is raising future risks. Bill Gross, the co-founder of Pacific Investment Management (PIMCO), and manager of the world's largest bond fund, has recently been cited as being a seller of US Treasuries, on the grounds that the US has unrecorded debt of $75 trillion, or 500% of GDP. This figure is not directly comparable to any of those quoted in relation to the UK, as it includes future obligations under Social Security, Medicare and Medicaid. It is therefore akin to trying to capitalise all future costs of Social Security and the NHS in the UK. However, it does underscore the increased risks which result from refusing either to raise taxes or cut spending, and politically it is becoming hard to see how either will be accomplished in the US any time soon. In the short term, however, this policy is allowing the recovery to pick up speed.

For all the talk over the past few months from certain strategists suggesting that the time was right to bring assets back from emerging markets to invest in developed markets once again we don't see much reason to do so, and two of our favoured investment themes are little changed from a year ago, namely exposure to the growth of Far Eastern economies, and the scarce natural resources that the development of these economies will consume. The Equity Gilt Study this year also contains a compelling chapter on emerging markets, which argues that the resilience that they showed during the credit crunch hails the start of a major change of perspective in relation at least to the top tier of this group. It seems no longer the case that a crisis in one emerging market will trigger the flight of capital from the whole asset class. This leads to a re-appraisal of anticipated outperformance in the future as delivering better risk-adjusted returns. It is notable that in the authors' analysis of the top ten markets for risk-adjusted anticipated returns, six of the countries cited are in South East Asia.

The restructuring of ViCTory's portfolio has been reflecting these investment themes already, and, although the process is not complete, we believe that the portfolio has been strengthened a good deal over the last year, and that this is starting to show through in terms of performance.

Dr Paul Jourdan
CEO and Founder
Amati Global Investors

9 May 2011

Appendix: Review of UK Fiscal Policy

Table 1 below set out some raw data of the history of UK budgets over the last 10 years, drawn from various government sources, whilst table 2 set out the figures for net government debt, GDP growth, and inflation. This has to be the starting point for the debate about the subject of fiscal policy, but often it doesn't make it into the discussion.

Table 1: UK Government Budgets 2001-11

	Gov't Spending £bn	Real Growth %	Gov't Receipts £bn	Real Growth %	Budget Balance £bn	Budget Balance as % of GDP	Actual Movement in net public finances £bn
2001/2	394		398		4	0.4%	-3
2002/3	418	3.89%	407	0.1%	-11	-1.1%	-32
2003/4	456	6.29%	428	2.4%	-28	-2.6%	-36
2004/5	488	4.82%	455	4.1%	-33	-2.9%	-41
2005/6	519	4.05%	487	4.7%	-32	-2.6%	-40
2006/7	552	3.46%	516	3.1%	-36	-2.8%	-36
2007/8	587	3.14%	553	4.0%	-34	-2.5%	-29
2008/9	618	0.98%	575	-0.3%	-43	-3.0%	-79
2009/10	671	6.58%	496	-15.7%	-175	-12.2%	-153
2010/11	704	0.12%	541	4.3%	-163	-11.6%	
2010/11*	697	-0.93%	548	5.7%	-149	-10.6%	-144
2011/12	710		589		-121	-8.0%	

** 2010 Emergency budget in June 2010 in which the coalition government revisted the plan of the previous administration, re-orientating policy towards cuts, and increasing taxation.*
Sources: HM Treasury, and Office for National Statistics. Real growth is calculated as nominal growth minus the RPIX figure for inflation.

Table 2: UK Inflation, Government Debt, GDP and Interest Rates (all data as at end March)

End March	Inflation RPIX	Government Net Debt Excluding Interventions† £bn	Government Net Debt Including Interventions† £bn	Net Debt Excluding Interventions† as % of GDP	Net Debt Including Interventions† as % of GDP	Bank Base Rates
2001	1.9%	311	311	31.5%	30.6%	5.75%
2002	2.3%	314	314	30.4%	29.3%	4.00%
2003	3.0%	346	346	31.7%	30.5%	3.75%
2004	2.1%	382	382	33.0%	31.8%	4.00%
2005	2.4%	422	422	34.7%	33.8%	4.75%
2006	2.1%	462	462	36.3%	34.9%	4.50%
2007	3.9%	498	498	36.9%	35.7%	5.25%
2008	3.5%	527	622	37.1%	43.7%	5.25%
2009	2.2%	606	2,039	42.3%	142.1%	0.50%
2010	4.8%	760	2,194	54.1%*	156.3%	0.50%
2011	5.4%	903	2,239	59.5%	148.5%	0.50%

Source: Office for National Statistics ("ONS").

** The IMF calculates a markedly higher figure for this: 68.8% for 2010, with an estimate of 74% for 2011.*

† Definition: This is the money which the government spent on maintaining the solvency of the public sector banks, on depositer compensation, and on Bank of England schemes. These are all described as 'temporary effects' and so are accounted for as exceptional and excluded from the normalised figures.

As can be seen in Table 1 we have to go back ten years to see the last budgeted surplus in the UK. The principle much vaunted by the government at the time was that the budget would be balanced over a business cycle as a whole. Thus government expenditure was increased ahead of income during the threatened recession of 2002-2003 which arose in the aftermath of the 'dotcom' boom, and real GDP growth of over 3% was achieved between 2002 and 2004. However, from 2005 onwards, as the business cycle continued to strengthen around the world, UK fiscal policy abandoned any notion of balancing over a cycle, continuing with an aggressive expansion of spending ahead of revenue growth. At the same time this expansionary policy was met with faltering real GDP growth, suggesting that the rise in spending was not well targeted or controlled. This expansionary policy also led to asset bubbles, most particularly in property. Around 2007 the belief was widespread in the UK, particularly it seems amongst lending institutions, that property could only rise in value. Even ignoring the international dimension of the credit crunch, UK banks at this point were set for a nasty fall. As the financial crisis took hold UK public finances were disastrously unprepared, with the budget deficit ballooning from £43bn in 2008 to £175bn in 2009, excluding the cost of financial interventions. The Equity Gilt Study includes an estimate of how big a change to the budget balance will be required in order to stabilise the debt position by 2015, assuming that increases in expenditure arise only from changing demographics. The calculations are based on 'underlying' primary balances which are adjusted to compensate for cyclical factors and one-off capital expenses. This aims to isolate the so-called 'structural' deficit, which is that element which will be present even at the top of a market cycle. On this basis the structural deficit in 2010 was calculated as being equal to 5% of GDP, compared to the actual budget deficit of 11.1%. To reduce this structural deficit to zero by 2015 after taking into account of the likely demographic impact on expenditure, the UK need to improve its budget balance by 5.9% of GDP. For the US this is 8.4%, whilst for Germany it is 2.4%.

There are a number of factors which make this task more difficult. First there is likely to be considerable pressure for interest rates to rise in advanced economies. This is in part because they have been held artificially low for much of the past two years as investors sought the safe haven of government bonds, base rates were cut to 0.5% in an attempt to stimulate the economy, and then Quantitative Easing created a massive new buyer of government debt in the form of the Bank of England. But there is also the factor that elevated debt levels may push investors to charge a higher risk premium, as has been seen with devastating effects in the peripheral countries of the Eurozone. It is easy to be complacent about this risk, but once the trend to higher interest rates begins, it can quickly expose excessive government leverage, and become self-reinforcing, in that the problems become more acute with each rise, thus in turn pushing up rates further. This is the gauntlet that any fiscal policy must run, and ultimately the reason why budget cuts now are likely to be less damaging in the medium term than a policy which attempts to deliver higher growth by spending more now. If credibility with investors is lost in relation to stabilising the deficit, then disaster could strike very quickly.

Second, growth in advanced economies is likely to disappoint. On the one hand the enormous fiscal consolidation required to stabilise the budget will itself weigh on near-term growth and increase unemployment (albeit that it is beneficial for growth in the longer term). On the other hand some of the fastest growing areas of the economy before the crisis, such as finance, retail and construction, are now shrinking. In addition the 'baby boomer' generation in the UK is approaching the age of retirement, and as this starts to happen the growth in the working population will fall, and the percentage of the population in work will start to decline. This pattern is repeated across most developed markets, and is strongest in Italy, Germany and Japan. It is also a factor in many emerging markets.

Third, inflationary pressures from outside the UK look set to rise. Some of the factors which have held inflation low for the past two decades, such as the move to low cost manufacturing in emerging markets, have played out, and now form the basis of new inflationary factors as the newly urbanised populations in China, India and elsewhere, begin to demand both higher wages and an increasing supply of commodities to support the rapid growth of their economies.

Fourth, whilst the net debt to GDP ratio for March 2011 of 59.9% sounds high but not catastrophic, the ONS figures for net government debt in the UK are presented in the manner that one would expect any over-leveraged company to present figures to investors whose confidence they were wishing to maintain. They present a best case scenario, both for the current situation and on the forecasts. As noted at the foot of the table the IMF shows much higher figures for net debt excluding the cost of financial intervention, and ONS figures themselves show that net debt including the cost of financial interventions as being 148% of GDP as at end March 2011. Even this figure itself doesn't allow for capitalising future state pension liabilities, or future obligations under PFI contracts, which are taken 'off balance sheet'. It also makes no reference to the huge balance sheets effectively under-written by the government in the majority-owned UK banks, which will have the effect of magnifying any debt crisis, if one does emerge in the UK. This is to say that UK public debt now casts a long shadow over the economy, and the risks it presents are much higher than they might at first appear.

Our conclusion at this point is to note that the phrase 'irrational exuberance' which Alan Greenspan applied famously to markets during the dotcom boom, could also be applied to policy makers in the first decade of this century. In the world of uncertainty and increased vulnerability which follows in the wake of the financial crisis, policy making needs to be set much more prudently than it has been in recent years, and we are therefore supportive of the fiscal stance taken by the Coalition Government.

Dr Paul Jourdan
Founder and CEO
Amati Global Investors

Paul Jourdan is an award-winning fund manager with a strong track record in small cap investment. He co-founded Amati Global Investors following the management buyout of Noble Fund Managers from Noble Group in January 2010. Paul joined Noble Fund Managers in 2007 as Head of Equities. He moved to Edinburgh in 1998, joining Stewart Ivory to work on UK, emerging market, and global equities. In 2000 Stewart Ivory was taken over by Colonial First State (subsequently First State Investments). From September 2000 Paul became manager of what is now CF Amati UK Smaller Companies Fund, winning a number of awards for this fund in 2004/05. In November 2004 he was appointed Head of UK Equities at First State. In early 2005 he launched what is now Amati VCT plc. Prior to 1998 Paul worked as a professional violinist, including a four year period with the City of Birmingham Symphony Orchestra. He currently serves as a Director of Hebrides Ensemble and of Sistema Scotland, and also as a Governor of the Royal Scottish Academy of Music and Drama.

Douglas Lawson
Founder and Director
Amati Global Investors

Douglas Lawson co-founded Amati Global Investors following the management buyout of Noble Fund Managers from Noble Group in January 2010. Prior to this he gained 6 years experience in corporate finance and private equity, initially as a corporate finance associate focusing on middle market UK private equity and listed company M&A at British Linen Advisers, and latterly as an investment manager in the private equity team at Noble. Douglas joined Paul Jourdan in managing the CF Amati UK Smaller Companies Fund and Amati VCT in 2009 before adding ViCTory VCT in 2010. Douglas started his career at Ernst & Young in London, where he qualified as a Chartered Accountant in 2002.

INVESTMENT PORTFOLIO

as at 31 January 2011

FTSE Sector	Number of shares	Book cost £	Valuation £	Fund %	% of shares in issue
Oil & Gas		**556,651**	**779,253**	**3.8**	
DEO Petroleum plc[@]	403,518	181,583	215,882	1.1	0.9
Egdon Resources plc[*@]	1,648,000	206,006	321,360	1.5	1.3
Sterling Resources Ltd[@]	89,135	169,062	242,011	1.2	0.0
Basic materials		**786,520**	**892,425**	**4.3**	
Anglo Pacific Group plc[@]	160,000	461,703	535,200	2.6	0.1
Elementis plc[@]	275,000	324,817	357,225	1.7	0.1
Industrials		**5,999,874**	**4,863,126**	**23.5**	
AssetCo plc[†]	682,459	508,413	423,125	2.0	0.8
Avingtrans plc[*]	503,333	528,333	261,733	1.3	2.0
Bglobal plc[*@]	674,117	256,164	215,717	1.1	0.7
Corac Group plc[*@]	1,240,962	186,144	179,939	0.9	0.5
Gooch & Housego plc[@]	40,048	192,909	204,245	1.0	0.2
Green Compliance plc[†@]	43,210,000	440,231	496,915	2.4	2.4
Hargreaves Services plc[@]	57,000	369,133	511,290	2.5	0.2
Hightex Group plc[*]	2,750,000	192,503	192,500	0.9	1.5
ILX Group plc[*]	890,000	426,300	213,600	1.0	3.3
Quadnetics Group plc[*]	136,588	341,381	228,102	1.1	0.8
RPC Group plc[@]	120,970	305,893	326,014	1.6	0.1
RTC Group plc[*]	537,500	220,375	37,625	0.2	6.0
Savile Group plc[*]	600,000	402,000	150,000	0.7	4.0
SKIL Ports & Logistics Ltd[@]	95,452	238,630	234,812	1.1	0.2
Sportsweb.com[*#]	58,688	352,128	316,915	1.5	11.4
Symphony Environmental Technologies plc[*]	2,680,770	428,379	388,712	1.9	2.3
Zytronic plc[*]	215,126	610,958	481,882	2.3	1.5
Consumer goods		**1,778,487**	**2,284,311**	**11.0**	
Asian Citrus Holdings Ltd[@]	834,000	408,496	633,840	3.1	0.1
China Food Company plc Convertible 8% Loan Note[#@]	624	624,000	692,966	3.2	32.8
New Britain Palm Oil Ltd[@]	57,000	342,142	512,715	2.5	0.0
Sorbic International Convertible 10% Loan Stock[#@]	196	196,000	205,085	1.0	14.0
SuperGroup plc[@]	15,667	207,849	239,705	1.2	0.0
Health care		**2,971,699**	**3,224,125**	**15.6**	
Advanced Medical Solutions Group plc[@]	430,000	295,886	301,000	1.5	0.3
Chromogenex plc[*#@]	150,000	13,875	1,950	0.0	0.2
IS Pharma plc[*@]	531,667	425,334	451,917	2.2	1.0
Kiotech International plc[@]	579,710	402,001	463,768	2.2	3.2
Mediwatch plc[*]	9,523,833	929,716	238,096	1.1	6.8
Omega Diagnostics Group plc[*]	1,000,000	200,000	145,000	0.7	1.2

FTSE Sector	Number of shares	Book cost £	Valuation £	Fund %	% of shares in issue
Synergy Health plc*	125,200	189,887	1,107,394	5.4	0.2
Tristel plc*@	903,509	515,000	515,000	2.5	2.3
Consumer services		**7,158,603**	**3,680,008**	**17.8**	
Cello Group plc*	225,000	257,625	135,000	0.7	0.4
Conexion Media Group plc*	1,080,883	183,750	10,809	0.1	1.4
Coolabi plc*	2,585,883	361,506	148,688	0.7	4.7
Dods Group plc (formerly Huveaux plc)*	2,000,000	595,868	175,000	0.9	1.3
Ebiquity plc*	345,500	729,005	321,315	1.6	0.6
Entertainment One Ltd@	336,538	225,932	558,653	2.7	0.2
Expansys plc*@	775,000	449,500	29,062	0.1	0.1
Fuse 8 plc (formerly Award International Holdings)*	20,999	209,990	6,300	-	0.2
Imagesound Ltd*#	1,250,000	92,188	-	-	2.0
Just Car Clinics Group plc*	281,955	95,865	155,075	0.7	2.1
Lilestone Holdings Limited*#	1,616,786	1,238,655	-	0.0	1.6
Lo-Q plc†	748,500	748,656	920,655	4.4	4.6
Ovidia Investments*#	134,307	518,312	-	-	0.4
Prezzo plc*	1,341,510	150,618	741,179	3.6	0.6
Skywest Airlines@	734,000	146,488	220,200	1.1	0.4
Tasty plc*	779,688	540,377	194,922	0.9	1.6
UBC Media Group plc*	2,296,384	614,268	63,150	0.3	1.3
Financials		**847,428**	**1,037,897**	**5.0**	
Fulcrum Utility Services Ltd†*@	5,167,557	620,193	852,647	4.1	3.3
London Capital Group Holdings plc@	190,000	227,235	185,250	0.9	0.5
Technology		**1,811,510**	**2,453,691**	**11.9**	
Camaxys#	1,592,656	254,825	-	-	8.8
IDOX plc*@	3,606,667	270,500	550,017	2.7	1.1
NCC Group@	70,000	289,297	428,400	2.1	0.2
Parseq plc (formerly Intelligent Environments Group)*	4,039,075	116,123	302,931	1.5	0.9
Promethean World plc@	225,000	292,577	131,625	0.6	0.1
Tikit Group plc†	348,326	400,869	853,399	4.1	2.4
Ubisense Trading Ltd*#@	127,428	187,319	187,319	0.9	1.1
Total investments		**21,910,772**	**19,214,836**	**92.9**	
Net current assets			**1,477,169**	**7.1**	
Net assets		**21,910,772**	**20,692,005**	**100.0**	

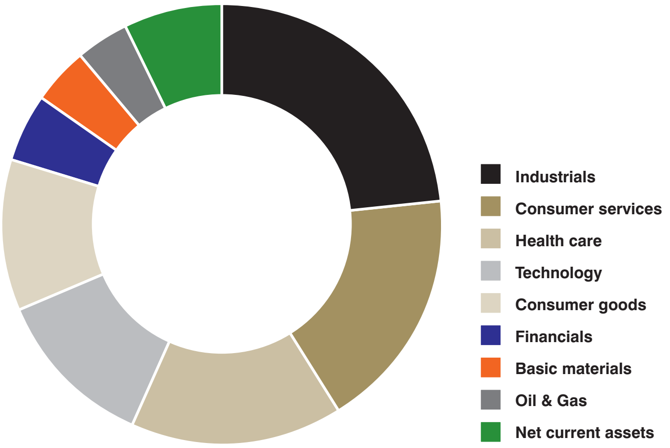
* *Qualifying holdings.*
† *Part qualifying holdings.*
# *Unquoted holdings.*
@ *These investments are also held by other funds managed by Amati.*

All holdings are in ordinary shares unless otherwise stated.

As at the year end, the percentage of the Company's portfolio held in qualifying holdings for the purposes of Section 274 of the Income and Corporation Taxes Act 2007 is 82.29%.

Sector Allocation as at 31 January 2011

FTSE Sector	Fund %
Industrials	23.5
Consumer services	17.8
Health care	15.6
Technology	11.9
Consumer goods	11.0
Financials	5.0
Basic materials	4.3
Oil & Gas	3.8
Net current assets	7.1
	100.0



Synergy Health plc

Sector	Health care		
Market capitalisation	£486.7m	Year to 31 March 2010	£ million
Cost	£189,887	Profit before tax	24.5
Valuation	£1,107,394	Profit after tax	22.1
Valuation basis	Bid price	Net assets	266.4
Income recognised in year	£24,000		

Synergy Health provides healthcare related services to customers worldwide. The company's main activities are decontamination, which is operated on an outsourced and managed basis for reprocessing surgical and re-usable hospital equipment; sterilisation, which operates through the Isotron brand, to sterilise single use medical products; healthcare solutions, which provides a wide range of products for infection prevention and control, patient hygiene, surgical and wound care; laboratory services, which provides health screening and clinical pathology support; and linen management.

Lo-Q plc

Sector	Consumer services		
Market capitalisation	£20.0m	Year to 31 October 2010	£ million
Cost	£748,656	Profit before tax	2.3
Valuation	£920,655	Profit after tax	1.9
Valuation basis	Bid price	Net assets	7.3
Income recognised in year	£nil		

Lo-Q designs, installs and operates systems that reduce queuing times for visitors to theme parks. The first installation was installed in 2001 in the Six Flags Over Georgia park near Atlanta and the company registered over 5 million users in 2009. The solution, which is now available in 18 theme parks, can be operated through a mobile phone or a handheld device or wristband which is rented at the park. The revenue share agreement offers a very attractive and low risk incremental revenue stream to the park operator.

Tikit Group plc

Sector	Technology		
Market capitalisation	£36.1m	Year to 31 December 2010	£ million
Cost	£400,869	Profit before tax	2.9
Valuation	£853,399	Profit after tax	2.2
Valuation basis	Bid price	Net assets	16.2
Income recognised in year	£21,000		

Tikit is a leading provider of IT consultancy, software services and technology to legal and accounting firms. The company operates through 3 principal divisions – Managed Services, which provides clients with a fully outsourced IT service; Software, which sells 3rd party and proprietary software solutions; and Consultancy, which provides clients with project based IT expertise. The group's revenues are increasingly moving towards higher margin proprietary software and software bundles consisting of own and 3rd party software that offer all the functionality required by legal firms.

Fulcrum Utility Services Limited

Sector	Financials		
Market capitalisation	£25.5m	Year to 31 March 2010	£ million
Cost	£620,193	Loss before tax	(16.7)
Valuation	£852,647	Loss after tax	(12.1)
Valuation basis	Bid price	Net liabilities	(16.4)
Income recognised in year	£nil		

Fulcrum was formerly a division of National Grid before reversing into Marwyn Capital 1 Limited, an AIM listed cash shell. The company designs and manages gas connections to large scale projects such as Heathrow's Terminal 5 and to smaller scale commercial projects. In over 50 years, the company has connected an average of 140,000 properties to the national gas distribution network each year. Fulcrum is also a licensed Independent Gas Transporter, operating pipelines connecting over 16,000 properties to the gas mains. The management team has significant industry experience and is implementing a turnaround strategy based on growth in market share, improved operational efficiency and cost control.

Prezzo plc

Sector	Consumer services		
Market capitalisation	£125.0m	Year to 27 December 2009	£ million
Cost	£150,618	Profit before tax	10.2
Valuation	£741,179	Profit after tax	6.8
Valuation basis	Bid price	Net assets	57.3
Income recognised in year	£3,000		

Prezzo is a branded restaurant operator offering a contemporary menu with an Italian flavour. Prezzo opened 7 new restaurants in the first half of 2010 and has several more developments in the pipeline, including a freehold site in Bishop's Stortford and planned openings in Aberdeen, Glasgow and Milton Keynes. In addition to this, following the acquisition of Caffe Uno Brasseries in 2010, the company added 11 leasehold sites to its estate and now operates from 145 restaurants.

China Food Company plc 8% Convertible Loan Note

Sector	Consumer goods		
Market capitalisation	£37.9m	Year to 31 December 2010	£ million
Cost	£624,000	Profit before tax	3.8
Valuation	£692,966	Profit after tax	2.3
Valuation basis	Discounted cash flow	Net assets	34.5
Income recognised in year	£30,000		

China Food Company is based in Weifang in Shandong province, China where it manufactures and distributes soya sauce and other condiments and animal feeds. The company recently completed the construction of a modern, state of the art soya sauce facility, which increases the company's condiments production capability to 50,000 tonnes, representing a 50% increase in existing capacity. The new factory has already filled half of its new silos for fermentation and has opened six for testing and production. China Food's products are distributed through major food retailers such as Tesco, Wal Mart and Carrefour.

Asian Citrus Holdings Limited

Sector	Consumer goods		
Market capitalisation	£922.1m	Year to 30 June 2010	£ million
Cost	£408,496	Profit before tax	57.8
Valuation	£633,840	Profit after tax	57.6
Valuation basis	Bid price	Net assets	375.9
Income recognised in year	£10,000		

Asian Citrus is the largest orange plantation owner and operator in China. The company has three plantations – one is fully developed with approximately 1.3 million orange trees; the second is fully planted with 1.6 million orange trees; and another has been cleared and planting has commenced. Asian Citrus recently expanded into the concentrated juice market with the acquisition of a 92% interest in Beihai Perfuming Garden Juice Company and intends to expand production through the construction of a new facility by the end of 2011.

Entertainment One Limited

Sector	Consumer services		
Market capitalisation	£279.4m	Year to 31 March 2010	£ million
Cost	£225,932	Profit before tax	6.9
Valuation	£558,653	Profit after tax	6.6
Valuation basis	Bid price	Net assets	164.0
Income recognised in year	£nil		

Entertainment One is an independent entertainment content owner that acquires film and television rights to exploit in all media in over 180 countries. The company also owns distribution channels to retailers where it can capture additional margin and improve the delivery of products to customers. It has two divisions – Entertainment, which acquires and exploits filmed entertainment rights and produces TV content; and Distribution. The company has enjoyed notable successes recently with properties such as Peppa Pig and The Twilight Saga: Eclipse.

IDOX plc

Sector	Technology		
Market capitalisation	£60.3m	Year to 31 October 2010	£ million
Cost	£270,500	Profit before tax	4.9
Valuation	£550,017	Retained profit	3.6
Valuation basis	Bid price	Net assets	31.0
Income recognised in year	£8,000		

IDOX is a leading provider of software and services to the UK public sector. It is the leading applications provider to local government for core functions relating to land, people and property, for example planning systems and election management software. Over 90% of UK local authorities are customers of IDOX. The group's products enable local authorities to manage information, knowledge, documents and content. The company recently acquired McLaren Software, which provides document management applications to the oil and gas, mining, utilities, pharmaceuticals and transport sectors.

Anglo Pacific Group plc

Sector	Basic materials		
Market capitalisation	£363.8m	Year to 31 December 2010	£ million
Cost	£461,703	Profit before tax	65.8
Valuation	£535,200	Retained profit	56.3
Valuation basis	Bid price	Net assets	345.9
Income recognised in year	£6,000		

Anglo Pacific owns mining and exploration interests in coal, uranium, gold, diamond, base metals and oil and gas. The continuing demand for raw materials driven by the Asian economies has led to a significant rise in commodity prices, which have been beneficial for Anglo Pacific's royalty and mining interests. The group's strategy is focused on securing new royalties through the acquisition of further mining interests.

BOARD OF DIRECTORS

Christopher Moorsom

Christopher Moorsom (Chairman) has more than 40 years experience in the financial services industry and is a member of the Securities Institute. In 1969 he became a partner of B S Stock, a Bristol firm of stockbrokers. He later became managing director of Albert E Sharp, joint managing director of Gerrard and was chairman of Gerrard Investment Funds. He is currently chairman of The Bath Building Society and a director of the Royal Welsh College of Music and Drama. He is a trustee of several charities and has recently served as a director of Weston Area NHS Trust, Northern Races Ltd, Bath Racecourse Ltd and Chepstow Racecourse Ltd.

James Hambro

James Hambro is chairman of J O Hambro Capital Management Limited. He has over 25 years' experience in the merchant banking and investment management industry. He was a founder shareholder in 1986 of the J O Hambro Group and former managing director of J O Hambro Magan & Company Limited. He is also chairman of Hansteen Holdings Plc, a director of Primary Health Properties Plc and a number of other companies.

Mike Killingley

Mike Killingley is non-executive chairman of Beale plc and a non-executive director of AIM-quoted Falkland Islands Holdings plc. He was a senior partner with KPMG, chartered accountants, from 1988 until retiring from the firm in 1998 and is a former non-executive chairman of Southern Vectis plc, Conder Environmental plc and Advanced Technology (UK) plc. He is also treasurer of the University of Southampton.

David Page

David Page was from 1976 to 1993 a major shareholder in the largest franchisee of Pizza Express. In 1993 his franchise group merged with the franchisor at the same time as an IPO. David was appointed CEO of Pizza Express on flotation and chairman in 1996. In 2003 he founded and was chairman of the Clapham House Group plc which acquired and operated a number of restaurant brands; the Clapham House Group plc floated on AIM in November 2003. David is a non-executive director of Young & Co's Brewery Plc, an AIM quoted company.

The directors submit their Annual Report and Financial Statements on the affairs of the Company for the year ended 31 January 2011. The Corporate Governance Statement on pages 26 to 29 forms part of the Directors' Report.

Results and Dividends

The total profit on ordinary activities after taxation for the year attributable to shareholders was £2,362,000, equivalent to a return of 5.42p per share (31 January 2010 loss: £972,000 equivalent to a loss of 2.23p per share restated).

The Board is recommending a final dividend of 2.0p per share for the year ended 31 January 2011.

A review of the Company's performance during the financial year, the position of the Company at the year end and the outlook for the coming year is contained within the Board review on pages 2 and 3 and in the Fund Manager's Review on pages 4 to 9.

A graph of the performance of the growth of the Company's net asset value total return (assuming dividends re-invested) compared with FTSE AIM All-Share total return index is shown on page 1.

No shares in the Company were allotted or legally bought back in the year to 31 January 2011. From 30 January 2009 the Company contracted to make market purchases of some 3,240,564 shares for cash (see Note 11 on page 43). Unfortunately, and unbeknown to the directors of the Company at the time, the Company's accounts did not disclose sufficient distributable reserves out of which to effect such purchases. Accordingly, under company legislation, such purchases were void transactions. Therefore, these financial statements provide for a debtor equivalent to the total purchase price of those shares, and the Company's issued share capital at the year end has been adjusted to include those shares so unlawfully purchased (the impact of these changes is shown in the Notes to the Accounts at Note 9 on page 43, Note 11 on page 43 and Note 12 on page 44). Following the publication of the financial statements, at which point the Company's accounts will disclose adequate distributable reserves, these share purchases will be effected, the amount owed by those same shareholders being offset by the purchase, and the Company's share capital reduced accordingly. This is also discussed within the Board Review on page 2.

Business Review

The Business Review has been prepared in accordance with the requirements of Section 417 of the Companies Act 2006 and best practice. The purpose of this review is to provide shareholders with a summary of the business objectives of the Company, the board's strategy to achieve those objectives, the risks faced, the regulatory environment and the key performance indicators used to measure performance.

Key Performance Indicators

The board monitors on a regular basis a number of key performance indicators, the main ones being:

- Net asset value and total return to shareholders (the aggregate of net asset value and cumulative dividends paid to shareholders). See graph on page 1.
- Dividend distributions. See table of investor returns on page 1.
- Share price.
- Total expense ratio. See key data on page 1.

Principal Activity and Status

The Company is registered as a public limited company under registration number 04138683 England. The directors have managed and intend to continue to manage the Company's affairs in such a manner as to comply with section 274 of the Income Tax Act 2007 and it has received full approval as a Venture Capital Trust from HM Revenue & Customs for the year ended 31 January 2010. A review of the Company's business during the period is contained in the Chairman's Statement and Fund Manager's Review.

Strategy for Achieving Objectives

ViCTory VCT PLC is a tax efficient venture capital trust listed on the London Stock Exchange. The Company is managed in order that shareholders may benefit from the potentially substantial tax reliefs available to venture capital trusts.

Investment Policy

Investment Objective

The Investment objectives of the Company are to generate tax free capital gains and income on investors' funds through investment primarily in AIM-traded companies whilst mitigating risk appropriately within the framework of the structural requirements imposed on all VCTs.

Risk Diversification

Portfolio risk will be mitigated through appropriate diversification of holdings within the relevant portfolio. Within the 3 year VCT investment period for each pool of Ordinary Shares, the Company intends to have invested between 70 and 85 per cent. in Qualifying Investments (AIM/PLUS Market listed or to be listed companies, or companies that are likely to be the subject of a sale within 24 months), 0 to 30 per cent. in non-Qualifying Investments (companies quoted in London on the LSE or AIM or likely to be quoted in London within 12 months or companies likely to be the subject of a trade sale within 24 months) and 0 to 30 per cent. in cash, cash equivalents, government and investment grade bonds.

Asset Allocation

The Manager intends that by the date from which all funds raised are required to meet the VCT qualifying rules, the Company's investment profile will be approximately:

- Between 70 and 85 per cent. in Qualifying Investments, whether equity or non-equity securities in (a) companies traded on AIM or on PLUS Markets, or (b) companies likely to seek a quotation on AIM or on PLUS Markets within a 24 month period, or (c) likely to be the subject of a trade sale within a 24 month period. The issues in which the Company will invest (whether equity or non-equity securities, in AIM or PLUS Markets traded companies) will be either secondary offerings by existing AIM-traded companies or primary offerings when a company is admitted to trading on AIM for the first time;
- Between 0 and 30 per cent. in non-qualifying investments in small and mid-sized companies where such companies are either (a) quoted in London (b) likely to seek a quotation in London within a 24 month period, or (c) likely to be the subject of a trade sale within a 24 months period;
- Between 0 and 30 per cent. in cash or cash equivalents (including money market funds) or government or investment grade bonds.

In accordance with the conditions for eligibility as an investment company under the Companies Act 2006, any holdings by the Company in shares or other securities in a company will not represent more than 15 per cent. by value of the Company's investments.

While Qualifying investments are being sourced, the assets of the portfolio which are not in Qualifying Companies will be actively invested by the Manager in a combination of the above (always ensuring that no more than 15 per cent. of the Company's funds are invested in any one entity).

Borrowing Policy

The Company may, within the limits set out in its Articles of Association, utilise borrowings to provide flexibility in its investment and dividend policies. The Articles allow the Company to borrow up to an amount equal to its adjusted capital and reserves (as defined in the Articles). The Board will restrict the borrowings of the Company to an amount which will not, without the previous sanction of an ordinary resolution of the Company, exceed an amount equal to 25% of the adjusted capital and reserves. There were no borrowings at the year end.

VCT Regulation

The Company's investment policy is designed to ensure that it meets the requirements of HM Revenue & Customs to qualify and to maintain approval as a VCT. HM Revenue & Customs VCT regulations state that the Company must, within three years of raising funds, maintain at least 70% by value of its investments in shares or securities comprised in qualifying holdings, of which 30% by value must be ordinary shares which carry no preferential rights. In addition, it may not invest more than 15% of its investments in a single company and it must have at least 10% by value of its total investments in any qualifying company in qualifying shares approved by HM Revenue & Customs. To be classed as a VCT qualifying holding, companies in which investments are made must have no more than £15 million of gross assets at the time of investment (or £7 million if the funds being invested were raised after 5 April 2006).

A number of changes were made to the rules for VCTs in the 2007 Budget. The cash element of disposals of qualifying investments are treated as occurring six months later for the purpose of maintaining the 70% qualifying holding condition. Money raised in future tax years will only be able to be invested in companies with less than 50 employees and not more than £2m can be invested in a company by venture capital schemes within one year.

EU State Aid approval for VCT tax reliefs was received on 29 April 2009, subject to the following four further changes, which came into force under the Finance Act 2010 from 6 April 2011:

1) Territorial rules were relaxed, such that companies are only required to have a 'permanent establishment' in the UK;
2) 'Enterprises in difficulty' are excluded from qualifying;
3) 49% of total funds raised have to be in ordinary shares (up from 21%); and

4) VCTs are allowed to list on any 'European Union Regulated Market'.

In the March 2011 budget statement the government has announced its intention to reverse several of the changes to the qualifying tests from the Finance Act 2007, including allowing up to £10m to be invested in a company from VCT and EIS investors in any one year, raising the gross assets test prior to investment from £7m up to £15m, and increasing the limit on the number of employees that an investee company may have at the point of investment from 50 up to 250. At the same time it was indicated that companies which are in receipt of Feed-In-Tariffs (or equivalent) will no longer be eligible to receive VCT funding, with certain provisions applied to the timing of introducing this change.

Management

The board has delegated the management of the investment portfolio to the Manager and the Manager also provides or procures the provision of company secretarial and administrative services to the Company.

Principal Risks and Uncertainties

The board considers that the Company faces the following major risks and uncertainties:

Investment Risk

A substantial portion of the Company's investments are in small AIM traded companies as well as some unquoted companies. By their nature these investments involve a higher degree of risk than investment in larger fully listed companies. These companies tend to have limited product lines and niche markets. They can be reliant on a few key individuals. They can be dependent on securing further financing. In addition, the liquidity of these shares can be low and the share prices volatile.

To reduce the risk, the board places reliance upon the skills and expertise of the Manager and its strong track record for investing in this segment of the market. Investments are actively and regularly monitored by the Manager and the board receives detailed reports on the portfolio in addition to the Manager's report at regular board meetings. The Manager also seeks to limit these risks through building a highly diversified portfolio with companies in different sectors and markets at different stages of development.

Venture Capital Trust Approval Risk

The current approval as a venture capital trust allows investors to take advantage of income tax reliefs on initial investment and ongoing tax-free capital gains and dividend income. Failure to meet the qualifying requirements could result in investors losing the income tax relief on initial investment and loss of tax relief on any tax-free income or capital gains received. In addition, failure to meet the qualifying requirements could result in a loss of listing of the shares.

To reduce this risk, the board has appointed the Manager which has significant experience in venture capital trust management, and is used to operating within the requirements of the venture capital trust legislation. In addition, to provide further formal reassurance, the board has appointed PricewaterhouseCoopers LLP ("PwC") as taxation adviser to the Company. PwC reports every six months to the board to confirm independently compliance with the venture capital legislation, to highlight areas of risk and to inform on changes in legislation.

Compliance Risk

The Company is listed on the London Stock Exchange and is required to comply with the rules of the UK Listing Authority, as well as with the Companies Acts, Accounting Standards and other legislation. Failure to comply with these regulations could result in a delisting of the Company's shares, or other penalties under the Companies Acts or from financial reporting oversight bodies.

Board members and the Manager have considerable experience of operating at senior levels within quoted businesses. In addition, the board and the Manager receive regular updates on new regulation from the auditor, lawyers and other professional bodies.

Internal Control Risk

Failures in key controls, within the board or within the Manager's business could put assets of the Company at risk or result in reduced or inaccurate information being passed to the board or to shareholders.

By its nature, as a venture capital trust, the Company is exposed to market price risk, credit risk, liquidity risk and interest rate risk. The Company's policies for managing these risks are outlined in full in notes 22 to 25 to the financial statements on pages 48 and 49.

The Company is financed through equity.

Economic Risk

Events such as economic recession and movement in interest rates can affect investor sentiment towards liquidity risk, and hence have a negative impact on the valuation of smaller companies. The Manager seeks to mitigate this risk by seeking to adopt a suitable investment style for the current point in the business cycle, and to diversify the exposure to geographic end markets.

Reputational Risk

Inadequate or failed controls might result in breaches of regulations or loss of shareholder trust. Details of the Company's internal controls are on pages 28 and 29.

Operational Risk

Failure of the Manager's, or other contracted third parties', accounting systems or disruption to their businesses might lead to an inability to provide accurate reporting and monitoring. The Manager regularly reviews the performance of third party suppliers at monthly management meetings and quarterly board meetings of the Manager.

Liquidity Risk

The Company's investments may be difficult to realise. As a closed-ended vehicle the Company does have the long-term funding appropriate to making investments in illiquid companies. However, if the underlying investee companies run into difficulties then their shares can become illiquid for protracted periods of time. In these circumstances the Manager would work with the investee company and its advisors to seek appropriate solutions.

Market Risk

Investment in AIM-traded, PLUS-traded and unquoted companies, by its nature, involves a higher degree of risk than investment in companies on the main market. In particular, smaller companies often have limited product lines, markets or financial resources and may be dependent for their management on a smaller number of key individuals. At times of adverse market sentiment the shares of small companies can become very difficult to sell, and values can fall rapidly. The Company's closed-end structure is important in this regard, in that it is less likely to become a forced seller at such points. The Company's investment policy also allows the Manager to invest in much larger more liquid companies through non-qualifying holdings. These can provide liquidity in times of market adversity.

The board seeks to mitigate the internal risks by setting policy, regular reviews of performance, enforcement of contractual obligations and monitoring progress and compliance. Details of the Company's internal controls are on pages 28 and 29.

Directors

The biographies of directors are shown on page 17. The terms of the directors' appointment and replacement are set out in the Statement of Corporate Governance on page 26.

The directors who held office during the year and their interests in the shares of the Company (including beneficial and family interests) were:

	31 January 2011 Shares held	31 January 2010 Shares held
Christopher Moorsom	65,741	22,741
David Page	38,309	5,689
James Hambro	31,926	22,136
Mike Killingley	40,725	27,225

There have been no changes in the holdings of the directors between 31 January 2011 and the date of this report.

Details of their remuneration are set out in the directors' remuneration report on page 31.

Companies Act 2006 Disclosures

The board recognises the requirement under Section 417(5) of the Act to detail information about environmental matters (including the impact of the Company's business on the environment), any Company employees and social and community issues; including information about any policies it has in relation to these matters and effectiveness of these policies. As the Company has no employees or policies in these matters this requirement does not apply.

Share Capital

The Company has an authorised share capital of 100,000,000 ordinary shares of 5p each, of which 43,557,324 were legally in issue at the year end (see Note 11 on page 43).

The rights and obligations attaching to the Company's ordinary shares are set out in the Company's Articles of Association, copies of which can be obtained from Companies House. The holders of ordinary shares are entitled to receive dividends when declared, to receive the Company's report and accounts, to attend and speak at general meetings, to appoint proxies and to exercise voting rights. There are no restrictions on the voting rights attaching to the Company's shares or the transfer of securities in the Company.

Management Agreement

Amati Global Investors were appointed as Manager to the Company on 22 March 2010. Under an Investment Management and Administration Agreement ("IMA") dated 19 March 2010 the Manager has agreed to manage the investments and other assets of the Company on a discretionary basis subject to the overall policy of the directors. The Company will pay to the Manager under the terms of the IMA a fee of 1.75% of the net asset value of the Company in arrears.

Until 22 March 2010 the Company's investment manager was Williams de Broë Limited, a subsidiary of The Evolution Group PLC. Following a period of disappointing performance and having conducted a review of VCT managers, the Board was pleased to appoint Amati Global Investors Limited as the new investment manager.

Administration Arrangements

Under the IMA, the Manager has also agreed to provide certain portfolio management, secretarial and administration services for the Company. A fee of £65,000 per annum is payable by the Company to the Manager for these services, subject to an annual increase in line with the retail prices index. The fee for the year ended 31 January 2011 is £65,000. These services are subject to termination by either party of 12 months' notice.

Fund Manager's Engagement

The board regularly appraises the performance and effectiveness of the managerial and secretarial arrangements of the Company. As part of this process, the board will consider the arrangements for the provision of investment management and other services to the Company on an ongoing basis and a formal review is conducted annually. In the opinion of the board, the continuing appointment of the Manager, on the terms agreed, is in the interests of the shareholders. The directors are satisfied that the Manager will continue to manage the Company in a way which will enable the Company to achieve its objectives.

Details of the principal investments made by the Company are shown in the portfolio of investments on pages 10 and 11.

The ratio of the Company's expenses for the year ended 31 January 2011 as a proportion of the net assets of the Company was 2.9% (31 January 2010: 3.2% restated).

Supplier Payment Policy

The Company's policy is to pay all suppliers' invoices in accordance with agreed terms. The trade creditors as at 31 January 2011 were £nil (31 January 2010: £nil).

VCT Status Adviser

The Company has retained PwC to advise it on compliance with VCT requirements. PwC reviews new investment opportunities, as appropriate, and reviews regularly the investment portfolio of the Company. PwC works closely with the Manager but reports directly to the board.

Auditor

PwC resigned as auditor to the Company on 12 January 2011. Following a review of audit service providers led by Mike Killingley, chairman of the audit committee, the audit committee recommended to the Board the appointment of PKF (UK) LLP as auditor. The Board recommends the services of PKF (UK) LLP to shareholders and a resolution to appoint PKF (UK) LLP as auditor will be proposed at the forthcoming annual general meeting.

Substantial Shareholdings

At the date of this report there was no individual shareholding exceeding 3% of the issued ordinary share capital.

Accountability and Audit

The statement of directors' responsibilities is set out on page 25 of this report. The independent auditor's report is set out on pages 32 and 33 of this report. The directors who were in office on the date of approval of these Annual Report and Financial Statements have confirmed that, as far as they were aware, there is no relevant audit information of which the auditor is unaware. Each of the directors has taken all the steps they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Annual General Meeting

The annual general meeting will be held at the offices of J O Hambro Capital Management Limited, Ground Floor, Ryder Court, 14 Ryder Street, London SW1Y 6QB on Tuesday 14 June 2011 at 11.30 am. The notice of meeting is set out on pages 50 and 51 of this Annual Report and a proxy form is included. The following denotes the business to take place:

Ordinary business

Resolution 1: Approval of the Annual Report

Shareholders will be asked to receive the directors' report and financial statements for the financial year ended 31 January 2011, together with the independent auditor's report thereon.

Resolution 2: Approval of the Directors' Remuneration Report

Under Regulation 11 and Schedule 8 of the Large and Medium Sized Companies and Groups (Accounts and Reports) Regulations 2008, the Company is required to produce a directors' remuneration report for each relevant financial year and shareholders are invited to approve that report for the financial year ended 31 January 2011 which is set out in full on pages 30 and 31 of this Annual Report. The directors' remuneration report includes details of the remuneration paid to directors and the Company's remuneration policy for its directors. The vote on this Resolution is advisory and no aspect of an individual director's entitlement to remuneration is conditional upon the passing of this Resolution.

Resolution 3: Approval of a final dividend of 2.0p per share

Shareholders will be asked to approve a final dividend of 2.0p per share payable to shareholders on the register at 24 June 2011.

Resolutions 4 and 5: Appointment of auditor

These resolutions provide for the appointment of PKF(UK) LLP as auditor to the Company to hold office from the conclusion of the annual general meeting until the conclusion of the next annual general meeting at which accounts are laid before the Company and to authorise the directors to fix the auditor's remuneration.

Resolution 6: Re-election of Mr C J L Moorsom

Mr Christopher Moorsom will retire by rotation, and being eligible, offers himself for re-election.

Resolution 7: Re-election of Mr D Page

Mr David Page will retire by rotation, and being eligible, offers himself for re-election.

Special business

Resolution 8: Renewal of authority for directors to allot shares

Shareholders will be asked to renew the directors' authority to allot unissued ordinary shares in the Company up to an aggregate nominal value of £2,822,133 which represents the balance of the unissued share capital at 6 May 2011. Shareholders last granted such general authority to the directors at the annual general meeting of the Company on 15 June 2010.

Resolution 8 seeks to renew this authority. Whilst the directors have no current plans to utilise the authority, the resolution provides the Company with the flexibility to issue shares going forward. This authority will expire on the earlier of the next annual general meeting in 2012 and the date which is 15 months after the date on which this resolution is passed. As at 6 May 2011 the Company did not hold any shares in treasury.

Resolution 9: Renewal of authority for directors to disapply pre-emption rights in respect of their authority to allot shares

Shareholders will be asked to renew the directors' authority to disapply pre-emption rights in respect of their authority to allot unissued ordinary shares of the Company up to an aggregate nominal value of £2,822,133 which represents the balance of the unissued share capital as at 6 May 2011.

If the directors wish to allot any of the unissued ordinary shares for cash they must, in the first instance, offer them to existing shareholders in proportion to their shareholding. There may be occasions, however, when the directors will need the flexibility to finance business opportunities by the issue of ordinary shares without a pre-emptive offer to existing shareholders. Shareholders last granted authority to directors to disapply pre-emptive rights at the annual general meeting of the Company on 15 June 2011. The general authority sought under Resolution 9 will expire on the earlier of the date of the next annual general meeting of the Company in 2012 and the date which is 15 months after the date on which this resolution is passed.

Resolution 10: Renewal of authority for the Company to purchase its own shares

The directors are aware that there is an illiquid market in the Company's shares and that at 6 May 2011 the shares are trading below net asset value. The directors therefore consider that the Company should have the ability to make market purchases of its ordinary shares in the market for cancellation. A special resolution will be proposed at the annual general meeting seeking authority for the Company to purchase up to 14.99% of the issued share capital as at the date of the annual general meeting. This authority will expire on the earlier of the date of the Company's annual general meeting to be held in 2012 and the date which is 18 months after the date on which this resolution is passed. It is the directors' intention to seek to renew this general authority annually, and more frequently if required.

By order of the board

The City Partnership (UK) Limited
Company Secretary

9 May 2011

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the directors' report, the directors' remuneration report and the financial statements in accordance with applicable law and regulations. They are also responsible for ensuring that the annual report includes information required by the Listing Rules of the Financial Services Authority.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements the directors are required to:

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

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

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

The directors confirm, to the best of their knowledge:

- that the financial statements, which have been prepared in accordance with UK Generally Accepted Accounting Practice, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company; and
- that the management report included within the Board review, Fund Manager's review and Directors' report and business review includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that it faces.

The names and functions of all the directors are stated on page 17.

Background

The board of ViCTory VCT PLC has considered the principles and recommendations of the AIC Code of Corporate Governance ("AIC Code") by reference to the AIC Corporate Governance Guide for Investment Companies ("AIC Guide"). The AIC Code, as explained by the AIC Guide, addresses all the principles set out in Section 1 of the Combined Code, as well as setting out additional principles and recommendations on issues which are of specific relevance to the Company.

The board considers that reporting against the principles and recommendations of the AIC Code, and by reference to the AIC Guide (which incorporates the Combined Code), will provide better information to shareholders.

The Company has complied with the recommendations of the AIC Code and the relevant provisions of Section 1 of the Combined Code except as set out below.

The UK Corporate Governance Code includes provisions relating to:

- the role of the chief executive
- executive directors' remuneration
- the need for an internal audit function

For the reasons set out in the AIC Guide, and in the preamble to the Combined Code, the board considers these provisions are not relevant to the position of the Company, being an externally managed investment company. The Company has therefore not reported further in respect of these provisions

Board of Directors

The Company has a board of four directors, all of whom are considered independent non-executive directors under the AIC Code. The chairman is Christopher Moorsom. James Hambro has held the position of Senior Independent Director throughout the year. In this role, James Hambro along with the Chairman are recognised as the senior board members to whom concerns can be conveyed. Biographical details of all directors are shown on page 17.

All directors are subject to re-election by shareholders at the first opportunity after their appointment and to further re-election thereafter at three year intervals.

Directors' retirement and re-election are subject to the Articles of Association and the AIC Code of Corporate Governance. At the forthcoming annual general meeting Christopher Moorsom and David Page will retire by rotation and stand for re-election. As both directors have acted in the interests of the Company throughout the period of their appointment and demonstrated commitment to their roles the board recommends they be re-elected at the annual general meeting.

No director has a contract of service with the Company. All of the directors have been provided with letters of appointment which are available for inspection by shareholders immediately before and after the Company's annual general meeting.

Directors are provided with key information on the Company's activities including regulatory and statutory requirements and internal controls by the Manager. The Manager, in the absence of explicit instructions from the board, is empowered to exercise discretion in the use of the Company's voting rights. All shareholdings are voted, where practical, in accordance with the Manager's own corporate governance policy, which is to seek to maximise shareholder value by constructive use of votes at company meetings and by endeavouring to use its influence as an investor with a principled approach to corporate governance. The board has direct access to secretarial advice and compliance services through the company secretary, who is responsible for ensuring that board procedures are followed and applicable procedures complied with.

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

When directors have concerns that cannot be resolved about the running of the Company or a proposed action, they are asked to ensure that their concerns are recorded in a board minute. On resignation, a director who has any such concerns is encouraged to provide a written statement to the Chairman, for circulation to the board.

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

All the directors are equally responsible for the proper conduct of the Company's affairs. In addition, the directors are responsible for ensuring that the policies and operations are in the best interests of all the Company's shareholders and that the best interests of creditors and suppliers to the Company are properly considered.

The chairman and the company secretary establish the agenda for each board meeting. The necessary papers for each meeting are distributed well in advance of each meeting ensuring all directors receive accurate, timely and clear information.

Independence of Directors

The board regularly reviews the independence of each director and of the board as a whole. The board believes that each director has demonstrated that he is independent in character and judgment and there are no relationships or circumstances which could affect their objectivity.

Board Performance

During the year, the performance of the board, committees and individual directors was evaluated through an assessment process led by the Chairman.

The directors seek to ensure that the board has an appropriate balance of skills, experience and length of service. The biographies of the directors shown on page 17 demonstrate the wide range of investment, commercial and professional experience that they contribute. The size and composition of the board and its committees is considered adequate for the effective governance of the Company.

Board Committees

Copies of the terms of reference of the Company's board committees are available from the company secretary and can be found on Amati's website: www.amatiglobal.com.

Audit Committee

A fully constituted committee of the board of directors is established to perform the duties set out below and to report on those matters to the board.

- to monitor the integrity of the Company's financial statements and any formal announcements relating to the Company's financial performance, reviewing significant financial reporting judgements contained in them.
- to review the Company's financial reporting, internal control and risk management procedures.
- to make recommendations to the board for it to put to shareholders for their approval at the AGM, in relation to the appointment, re-appointment and removal of the external auditor and to approve the remuneration and terms of engagement of the external auditor.
- to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant UK professional and regulatory requirements.
- to develop and implement policy on the engagement of the external auditor to supply non-audit services, taking into account relevant ethical guidance regarding the provision of non-audit services by the external audit firm.
- to report to the board, identifying any matters in respect of which it considers that action or improvement is needed and making recommendations as to the steps to be taken.
- to review the Manager's arrangements for "whistleblowing" so that the committee might satisfy itself as to the adequacy of the Manager's arrangements for its staff to raise concerns about possible improprieties of financial reporting or otherwise
- the chairman shall attend the AGM of the Company prepared to respond to any shareholder questions on the committee's activities.

The audit committee comprises Mike Killingley (chairman), Christopher Moorsom, James Hambro and David Page. Christopher Moorsom is an independent non-executive director therefore under the AIC Code it is considered appropriate that he be a member of the audit committee.

The audit committee meets twice a year to review the Annual and Half-yearly Statements before submission to the Board. The audit committee reviews the services of the auditor on an annual basis and recommends the services of PKF (UK) LLP to the shareholders in view of the firm's extensive experience in auditing Venture Capital Trusts. PKF (UK) LLP were appointed as auditor during the year following a competitive tender process led by the chairman of the audit committee.

Due to the size of the Board it is considered appropriate that all Directors be members of the audit committee.

Nomination Committee

As the Board is small and consists of non-executive directors and in view of the nature of a Venture Capital Trust Company it has been decided that a Nomination Committee does not need to be formed. The appointment of new directors is decided by the whole Board. There have been no new appointments during the financial year to 31 January 2011 or to the date of this report.

Remuneration Committee

As stated in the Directors' Remuneration Report on pages 30 and 31 where a Venture Capital Trust Company has no executive directors, the Combined Code principles relating to directors' remuneration do not apply and as such no Remuneration Committee has been appointed. The remuneration of the directors is reviewed by the whole board although no director is involved in setting his own remuneration.

Board and Committee Meetings

The following table sets out the directors' attendance at full board and committee meetings held during the year ended 31 January 2011.

Director	Board meetings held	Board meetings attended	Audit Committee Meetings held	Audit Committee Meetings attended
Christopher Moorsom	4	4	2	2
James Hambro	4	3	2	1
Mike Killingley	4	4	2	2
David Page	4	4	2	2

The board is in regular contact with the Manager between board meetings.

Relations with Shareholders

The Company welcomes the views of shareholders and places great importance on communication with its shareholders. Shareholders have the opportunity to meet the board at the annual general meeting. All shareholders are welcome to attend the meeting and to ask questions of the directors. The board is also happy to respond to any written queries made by shareholders during the course of the year. All communication from shareholders is recorded and reviewed by the board to ensure that shareholder enquiries are promptly and adequately resolved.

The notice of the annual general meeting accompanies this annual report, which is sent to shareholders. A separate resolution is proposed for each substantive issue. The board and representatives of the Manager are available to answer any questions shareholders may have.

The Company also communicates with shareholders through annual and half-yearly reports, which appear on the Company's website (http://www.amatiglobal.com/vict_literature.php) and through the interim management statements. The board as a whole approves the terms of the Board review and Fund Manager's Review which form part of these reports in order to ensure that they present a balanced and understandable assessment of the Company's position.

Internal Control

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

The board has delegated contractually to third parties, as set out on page 22, the management of the investment portfolio, the custodial services, including the safeguarding of the assets, the day-to-day accounting, company secretarial and administration requirements and registration services.

Each of these contracts was entered into after full and proper consideration by the board of the quality and cost of services offered. The board receives and considers regular reports from the Manager. Ad hoc reports and information are supplied to the board as required. It remains the role of the board to keep under review the terms of the management agreement with the Manager.

An annual review of the control systems is carried out which covers consideration of the key risks in three major areas: corporate strategy and compliance with laws and regulations; financial management and company reporting and relationships with service providers. Each risk is considered with regard to the controls exercised at board level, reporting by service providers and controls relied upon by the board. The company secretary reviews the annual statutory accounts to ensure compliance with Companies Acts and the AIC Code. The principal features of the internal control systems which the Company has in place in respect of financial reporting include segregation of duties between the review and approval of unquoted investment valuations and the recording of these valuations in the accounting records, bank reconciliations are carried out on a monthly basis and the audit committee reviews financial information prior to its publication.

Whistle Blowing

The board has considered arrangements by which staff of the Manager or the company secretary may, in confidence, raise concerns within their respective organisations about possible improprieties in matters of financial reporting or other matters. It has concluded that adequate arrangements are in place for proportionate and independent investigation of such matters, and where necessary, for appropriate follow-up action to be taken within their respective organisations.

Going Concern

In accordance with FRC Guidance for directors on going concern and liquidity risk the directors are of the opinion that, at the time of approving the financial statements, the Company has adequate resources to continue in business for the foreseeable future. In reaching this conclusion the Directors took into account the nature of the Company's business and Investment Policy, its risk management policies, the diversification of its portfolio, the cash holdings and the liquidity of non-qualifying investments. The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Directors' Report and Business Review on pages 18 to 23. As a consequence, the directors believe that the Company is well placed to manage its business risks successfully. The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors believe it is appropriate to continue to apply the going concern basis in preparing the financial statements.

Listing Rule Disclosures DTR 7.2.6

The Company has one class of share, ordinary shares, which carry no right to fixed income. Details of the Company's share capital, including the number of shares authorised and allotted and rights attached to such shares are set out in the Directors' Report and Business Review on page 21.

There were no shareholders with a significant holding as at the year end and the date of this report.

The Company may by ordinary resolution appoint any person who is willing to act as a Director, either to fill a vacancy or as an additional Director. Each Director is to be appointed by separate resolution.

The Company may by special resolution make amendment to the Company's Articles of Association,

The authority to allot securities (in accordance with section 551 of the Companies Act 2006) and to re-purchase its own issued share capital was renewed at the AGM held in 2010 and these authorities will be renewed again at the AGM to be held on 14 June 2011.

C J L Moorsom
Chairman

9 May 2011

Introduction

The board has prepared this report in accordance with the requirements of the Companies Act 2006 and The Large and Medium-sized Company and Groups (Accounts and Reports) Regulations 2008. An ordinary resolution for the approval of this report will be put to the members at the forthcoming annual general meeting.

The law requires that the Company's auditor audit certain disclosures. Where disclosures have been audited, they are indicated as such. The auditor's opinion is included in the Independent Auditor's Report on pages 32 and 33.

Policy on Directors' Fees

The board's policy is that the remuneration of directors should reflect the experience of the board as a whole, be fair and comparable with that of other companies that are similar in size and nature to the Company and have similar objectives and structures. Furthermore, the level of remuneration should be sufficient to attract and retain the directors required to oversee effectively the Company and to reflect the specific circumstances of the Company, the duties and responsibilities of the directors and the value and amount of time committed to the Company's affairs. It is the intention of the board that, unless any revision to this policy is deemed necessary, this policy will continue to apply in the forthcoming and subsequent financial years.

The fees for the directors are set within maximum limits determined from time to time by the Company in general meeting. At present, the maximum aggregate remuneration is as contained in the Company's Articles, which limit the fees payable to the directors to £90,000 per annum in aggregate. The directors are not eligible for bonuses, pension benefits, share options, long-term incentive schemes or other benefits.

Directors' Service Contracts

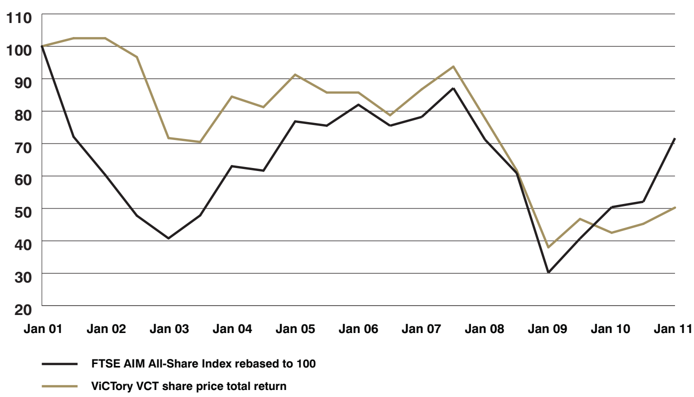
No director has a contract of service with the Company. All of the directors have been provided with letters of appointment. The letters of appointment provide that directors are appointed for a period of up to three years and are subject to re-election by shareholders at the first annual general meeting after their appointment. Thereafter they must retire at intervals of no more than three years. Their re-election is subject to shareholder approval. The letters of appointment are available for inspection on request. Any director who has served on the board for more than nine years will submit themselves for re-election annually. There is no period of notice to be given to terminate the letters of appointment and no provision for compensation upon early termination of appointment.

The following table shows, for each director, the original appointment date and the annual general meeting (AGM) at which they may stand for re-election.

Director	Date of original appointment	Due date for re-election
Christopher Moorsom	12 June 2003	2011 AGM
James Hambro	22 February 2006	2012 AGM
Mike Killingley	22 February 2006	2012 AGM
David Page	1 August 2004	2011 AGM

Company Performance

The graph below compares the change in the Company's share price total return to the FTSE AIM All-Share Index for the period from the launch of the Company. This index was chosen for comparison purposes, as it is the benchmark used for investment performance measurement purposes.



Directors' Remuneration (Audited)

Director	2011 £	2010 £
Christopher Moorsom	18,000	18,000
James Hambro†	15,000	15,000
Mike Killingley	15,000	15,000
David Page	15,000	15,000
Dominic Wheatley (resigned 15 September 2009)	-	9,375
	63,000	72,375

†The fees in respect of James Hambro are paid to charity.

None of the directors received any other remuneration during the year.

No element of the directors' remuneration is performance related. The Company has not awarded any share options or long-term performance incentives to any of the directors.

On behalf of the Board

C J L Moorsom
Chairman

9 May 2011

We have audited the financial statements of ViCTory VCT PLC for the year ended 31 January 2011 which comprise the income statement, the reconciliation of movements in shareholders' funds, the balance sheet, the cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 January 2011 and of its return for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion:

- the part of the directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006;
- the information given in the directors' report and business review for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the information given in the corporate governance statement in compliance with rules 7.2.5 and 7.2.6 in the Disclosure Rules and Transparency Rules sourcebook issued by the Financial Services Authority (information about internal control and risk management systems in relation to financial reporting processes and about share capital structures) is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following:

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

- we have not received all the information and explanations we require for our audit.

Under the Listing Rules we are required to review:

- the directors' statement, set out on page 29, in relation to going concern; and
- the part of the corporate governance statement relating to the company's compliance with the nine provisions of the June 2008 Combined Code specified for our review.

Rosemary Clarke (Senior statutory auditor)
for and on behalf of
PKF (UK) LLP, Statutory auditor
London, UK

9 May 2011

INCOME STATEMENT
for the year ended 31 January 2011

	Notes	2011 Revenue £'000	2011 Capital £'000	2011 Total £'000	2010 Revenue £'000 Restated*	2010 Capital £'000 Restated*	2010 Total £'000 Restated*
Return/(loss) on investments	8	-	2,710	2,710	-	(724)	(724)
Income	2	248	-	248	342	-	342
Investment management fee	3	(80)	(239)	(319)	(72)	(216)	(288)
Other expenses	5	(277)	-	(277)	(302)	-	(302)
Profit/(loss) on ordinary activities before taxation		(109)	2,471	2,362	(32)	(940)	(972)
Taxation on ordinary activities	6	-	-	-	-	-	-
Profit/(loss) on ordinary activities after taxation		(109)	2,471	2,362	(32)	(940)	(972)
Basic and diluted (loss)/return per Ordinary share	7	(0.25)p	5.67p	5.42p	(0.07)p	(2.16)p	(2.23)p

The total column is the profit and loss account of the Company, with the revenue and capital columns representing supplementary information under the Statement of Recommended Practice, 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' ("SORP") revised in January 2009.
All revenue and capital items derive from continuing operations.
No operations were acquired or discontinued during the year.
There were no other recognised gains or losses in the year.

The difference between the reported return on ordinary activities before tax and the historical profit is due to the fair value movement on investments. As a result a note on historical cost profit and losses has not been prepared.

Restated – see note 12 on page 44.

The notes on pages 38 to 49 form part of these financial statements.

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

for the year ended 31 January 2011

	2011 £'000	2010 £'000 Restated*
Opening shareholders' funds (as previously stated)	18,330	19,198
Prior period adjustment	-	104
Opening shareholders' funds (restated)	18,330	19,302
Profit/(loss) for the year	2,362	(972)
Closing shareholders' funds	20,692	18,330

**Restated – see note 12 on page 44.*

The accompanying notes are an integral part of the statement.

BALANCE SHEET

as at 31 January 2011

	Note	2011 £'000	2010 £'000 Restated*
Fixed assets			
Investments held at fair value	8	19,215	17,895
Current assets			
Debtors	9	1,381	595
Cash at bank		249	1
		1,630	596
Current liabilities			
Bank overdraft		-	(25)
Creditors: amounts falling due within one year	10	(153)	(136)
		(153)	(161)
Net current assets		1,477	435
Total assets less current liabilities		20,692	18,330
Capital and reserves			
Called up share capital**	11	2,178	2,178
Share premium account**	12	2,955	2,955
Merger reserve**	12	3,286	4,757
Special reserve	12	18,217	18,217
Capital redemption reserve**	12	558	558
Capital reserve	12	(6,626)	(10,568)
Revenue reserve	12	124	233
Equity shareholders' funds		20,692	18,330
Net asset value per share	13	47.51p	42.08p

** Restated – see note 12 on page 44.*
*** These reserves are not distributable.*

The financial statements on pages 38 to 49 were approved and authorised for issue by the board of directors on 9 May 2011 and were signed on its behalf by

C J L Moorsom
Chairman

Company Number 04138683

The accompanying notes are an integral part of the balance sheet.

CASH FLOW STATEMENT

for the year ended 31 January 2011

	Note	2011 £'000	2010 £'000
Operating activities			
Investment income received		275	339
Deposit interest received		-	1
Investment management fees		(256)	(290)
Other operating costs		(312)	(331)
Net cash outflow from operating activities	15	(293)	(281)
Financial investment			
Purchase of investments		(9,057)	(7,836)
Disposals of investments		10,198	6,516
Net cash inflow/(outflow) from financial investment		1,141	(1,320)
Net cash inflow/(outflow) before financing		848	(1,601)
Financing			
Share buy backs (see note 12)		(575)	(423)
Net cash outflow from financing		(575)	(423)
Increase/(decrease) in cash		273	(2,024)
Reconciliation of net cash flow to movement in net cash			
Net cash at 1 February		(24)	2,000
Net cash at 31 January		249	(24)
Increase/(decrease) in cash during the year		273	(2,024)

The accompanying notes are an integral part of the statement.

1 Accounting Policies

Basis of Accounting

The financial statements have been prepared under the historical cost convention, modified to include a revaluation of fixed asset investments, and in accordance with applicable Accounting Standards and law in the United Kingdom and with the SORP.

Income

Dividends on quoted shares are recognised as income on the date that the related investments are marked ex dividend and, where no dividend date is quoted, when the Company's right to receive payment is established.

Fixed returns on non-equity shares and debt securities are recognised on a time apportionment basis so as to reflect the effective yield, provided there is no reasonable doubt that payment will be received in due course. Interest receivable is included in the accounts on an accruals basis.

Expenses

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

Expenses are split and presented partly as capital items where a connection with the maintenance or enhancement of the value of the investments held can be demonstrated, and accordingly the investment management fee is currently allocated 25% to revenue and 75% to capital, which reflects the directors' expected long-term view of the nature of the investment returns of the Company.

Performance fees are paid 100% from capital.

Issue Costs

Issue costs are deducted from the share premium account.

Taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. Deferred tax assets are only recognised when they arise from timing differences where recovery in the foreseeable future is regarded as more likely than not. Timing differences are differences arising between the Company's taxable profits and its results as stated in the financial statements which are capable of reversal in one or more subsequent periods.

Current tax is expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the balance sheet date and any adjustment to tax payable in respect of previous years. The tax effect of different items of expenditure is allocated between revenue and capital on the same basis as a particular item to which it relates, using the Company's effective rate of tax, as applied to those items allocated to revenue, for the accounting period.

Investments

Investments are designated on initial recognition as Fair Value through Profit and Loss and are measured at subsequent reporting dates at fair value.

Gains and losses arising from changes in fair value are considered to be realised to the extent that they are readily convertible to cash in full at the balance sheet date.

Those venture capital investments that may be termed associated undertakings are carried at fair value as determined by the directors in accordance with the Company's normal policy as these investments are held as part of the Company's portfolio with a view to the ultimate realisation of capital gains. Carrying investments at fair value is specifically permitted under Financial Reporting Standard 9 "Associates and Joint Ventures", where venture capital entities hold investments as part of a portfolio.

In respect of investments that are traded on AIM or PLUS, these are generally valued at bid prices at close of business on the Balance Sheet date, in accordance with FRS 26.

Unquoted investments are shown at fair value as assessed by the directors in accordance with International Private Equity Venture Capital Valuation ("IPEV") guidelines. Valuations of unquoted investments are reviewed quarterly:

- where a company is well established after the date of investment the shares may be valued by using the most appropriate methodology recommended by the IPEV guidelines, including earnings multiples, net assets, discounted cashflows and industry valuation benchmarks.
- alternatively where a value is indicated by a material arms-length transaction by a third party in the shares of the company the valuation will normally be based on this.

Convertible loan stock instruments are valued at fair value using a discounted cash flow calculation of the underlying host loan instrument and by valuing the option at fair value using an appropriate option valuation model.

Realised and unrealised surpluses or deficits on the disposal of investments, the revaluation of investments and permanent impairments in the value of investments are taken to the capital reserve.

Financial Instruments

The Company classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement. Financial instruments are recognised on trade date when the Company becomes a party to the contractual provisions of the instrument. Financial instruments are recognised initially at fair value plus, in the case of a financial instrument not at fair value through profit and loss, transaction costs that are directly attributable to the acquisition or issue of the financial instrument.

Financial instruments are derecognised on the trade date when the Company is no longer a party to the contractual provisions of the instrument.

Foreign Currency

Foreign currency assets and liabilities are translated into sterling at the exchange rates ruling at the balance sheet date. Transactions during the year are converted into sterling at the rates ruling at the time the transactions are executed. All exchange differences are reflected in the income statement.

Trade Debtors

Trade debtors are stated at their original invoiced value, as the difference that would be recognised from discounting future cash receipts over the short credit period is not considered to be material. Trade receivables are reduced by appropriate allowances for estimated irrecoverable amounts. Interest on overdue trade receivables is recognised as it accrues.

Trade Creditors

Trade creditors are stated at their original invoiced value, as the difference that would be recognised from discounting future cash payments over the short payment period is not considered to be material.

1 Accounting Policies (continued)

Share Based Payments

In accordance with FRS20: Share Based Payments, an expense is recognised in the financial statements relating to the value of the share options awarded to Singer & Friedlander Investment Management Limited under the arrangements agreed on the merger of the Company with AIM and AIM2.

The accounting charge is based on the fair value of each grant. The fair value of Singer & Friedlander Investment Management Limited's option is determined at the date of grant and is expensed on a straight-line basis over the vesting period based on the Company's estimate of shares that will eventually vest. In the case of the options granted, fair value is measured by a Black-Scholes pricing model, further details of which are set out in note 4. Any deemed provision is transferred to a share options reserve.

2 Income

	Year to 31 January 2011 £'000	Year to 31 January 2010 £'000
Income:		
Dividends from UK companies	152	151
Dividends from overseas companies	14	-
UK loan stock interest	82	191
	248	342

3 Investment Management Fees

The Manager provides investment management and secretarial services to the Company under an investment management agreement. Details of this agreement are given on page 22.

Investment management fees for the year were as follows:

	Year to 31 January 2011 £'000	Year to 31 January 2010 £'000
Due to the Manager by the Company at 1 February	23	25
Management fee charge to revenue and capital for the year	319	288
Fees paid to the Manager during the year	(256)	(290)
Due to the Manager by the Company at 31 January	86	23

4 Singer & Friedlander's option

In accordance with the arrangements agreed on the merger of the Company with Singer & Friedlander AIM VCT and Singer & Friedlander AIM2 VCT, Singer & Friedlander Investment Management Limited were granted an option which provides that if by the date of payment of the final dividend in respect of the ordinary shares for the Company's accounting year ending 31 January 2013 cumulative dividends declared and paid on each ordinary share (by reference to a record date after the merger) exceed a return of 8 per cent (compounded annually) of the net asset value per ordinary share they will be entitled to subscribe at par for such number of additional ordinary shares as shall in aggregate be equal to 15% of ordinary shares in the Company as enlarged by such subscriptions. If this target dividend rate is achieved by the payment of dividends in 2014 and 2015 Singer & Friedlander Investment Management Limited will be entitled to subscribe for such number of additional ordinary shares as shall in aggregate be equal to 12.5% (2014) and 10% (2015) of ordinary shares in the Company as enlarged by such subscriptions.

This right is a share based payment under FRS20.

The value of dividends paid since the merger is 6.5p. In order to exceed the targeted return which triggers Singer & Friedlander Investment Management Limited's entitlement to subscribe for additional shares, a further 40.7p of dividends would require payment by 31 January 2013. Regardless of performance over this period, the Directors would not sanction this level of dividend within this period and thus do not foresee any circumstances under which the option would crystalise. The option is therefore valued at nil (31 January 2010: nil).

5 Other Expenses

	Year to 31 January 2011 £'000	Year to 31 January 2010 £'000
Directors' remuneration	63	72
Auditor's remuneration – audit of statutory financial statements	17	35
Auditor's remuneration – other services	-	10
Administration and secretarial services	69	79
Other expenses	128	106
	277	302

The Company has no employees other than directors.

Details of directors' remuneration are provided in the audited section of the directors' remuneration report on pages 30 and 31.

Auditor's remuneration in the year ended 31 January 2011 relates to the current auditor, PKF (UK) LLP, and in the year ended 31 January 2010 relates to the previous auditor, PwC.

There are no charges for non audit services provided by the current auditor in the year ended 31 January 2011 relating to tax compliance work and advice as these are provided by the previous auditor. The board reviews the nature and extent of non audit services to ensure that independence is maintained.

6 Tax on Ordinary Activities

6a Analysis of credit for the year

	Year to 31 January 2011 £'000	Year to 31 January 2010 £'000
Charge for the year	-	-

The income statement shows the tax credit allocated between revenue and capital.

6b Factors affecting the tax charge for the year

	Year to 31 January 2011 £'000	Year to 31 January 2010 £'000
Profit/(loss) on ordinary activities before taxation	2,362	(972)
Corporation tax at standard rate of 28%	661	(272)
Effect of:		
Movement in excess management expenses	130	107
Non-taxable UK dividends	(43)	(42)
Non-taxable (gains)/losses on investments	(748)	203
Expenses disallowable for taxation purposes	-	4
Tax charge for the year (note 6a)	-	-

6 Tax on Ordinary Activities (continued)

Due to the Company's tax status as an approved Venture Capital Trust, deferred tax has not been provided on any net capital gains arising on the disposal of investments as such gains are not taxable.

No deferred tax asset has been recognised on surplus expenses carried forward as it is not envisaged that any such tax will be recovered in the foreseeable future. The amount of carried forward losses is £909,000 (31 January 2010: £779,000).

7 Return per Share

The revenue return per share is based on the net loss on ordinary activities after taxation of £109,000 (31 January 2010: £32,000) and on 43,557,324 (31 January 2010: 43,557,324 restated) shares, being the weighted average number of shares in issue during the year. The capital return per share is based on the profit on ordinary activities after taxation of £2,471,000 (31 January 2010: loss of £940,000) and on 43,557,324 (31 January 2010: 43,557,324 restated) shares, being the weighted average number of shares in issue during the year. There is no dilutive effect on the return per share for outstanding convertible securities (as explained in note 4) therefore considered to be no difference between the basic and diluted return per share.

8 Investments

	Quoted investments £'000	Unquoted investments £'000	Total £'000
Cost at 1 February 2010 (as previously stated)	24,430	16,153	40,583
Restatement*	-	(13,280)	(13,280)
Cost as at 1 February 2010 (restated)	24,430	2,873	27,303
Purchases	8,050	1,008	9,058
Disposals - proceeds received	(10,409)	(46)	(10,455)
- realised gains on disposal	283	28	311
- realisation of revaluation movements from previous years	(3,921)	(385)	(4,306)
Cost at 31 January 2011	18,433	3,478	21,911
Unrealised losses at 1 February 2010 (as previously stated)	(6,871)	(15,817)	(22,688)
Restatement*	-	13,280	13,280
Unrealised losses at 1 February 2010 (restated)	(6,871)	(2,537)	(9,408)
Unrealised gains on investments during the year	2,327	79	2,406
Realisation of revaluation movements	3,921	385	4,306
Unrealised losses at 31 January 2011	(623)	(2,073)	(2,696)
Valuation at 1 February 2010	17,559	336	17,895
Valuation at 31 January 2011	17,810	1,405	19,215
Equity shares	17,810	507	18,317
Loan stock	-	898	898
Total investments at valuation	17,810	1,405	19,215

	2011 £'000	2010 £'000 Restated*
Realised gains/(losses) on disposal	311	(5,124)
Amortisation of discount on fixed interest securities	(82)	-
Unrealised gains on investments during the year	2,406	4,425
Amortisation of discount on fixed interest securities	75	(25)
Net gain/(loss) on investments	2,710	(724)

** Restatement – 22 investments which had been included at nil value in previous periods are now considered to be permanently impaired. A restatement has been made to reflect losses, totalling £13,280,000, realised in previous years.*

Transaction Costs

During the year the Company incurred transaction costs of £32,000 (31 January 2010: £3,000) and £9,000 (31 January 2010: £nil) on purchases and sales of investments respectively. These amounts are included in the gains/(losses) on investments as disclosed in the income statement.

9 Debtors

	2011 £'000	2010 £'000 Restated*
Receivable for investments sold	257	-
Prepayments and accrued income	21	68
Other debtors - share buy backs	1,103	527
	1,381	595

**Restated – see note 12 on page 44.*

10 Creditors: Amounts Falling due within One Year

	2011 £'000	2010 £'000
Investment management fees	86	23
Other creditors	67	113
	153	136

11 Called Up Share Capital

Ordinary shares (5p shares)	2011 Number	2011 £'000	2010 Number Restated*	2010 £'000 Restated*
Allotted, issued and fully paid at 1 February (as previously stated)	43,557,324	2,178	41,958,437	2,098
Prior period adjustment 2009	-	-	378,384	19
Allotted, issued and fully paid at 1 February (restated)	43,557,324	2,178	42,336,821	2,117
Prior period adjustment 2010	-	-	1,220,503	61
At 31 January	43,557,324	2,178	43,557,324	2,178

**Restated – see note 12 on page 44.*

12 Reserves

	Share capital** £'000	Share premium** £'000	Merger reserve** £'000	Special reserve £'000	Capital redemption reserve** £'000	Capital reserve £'000	Revenue reserve £'000	Total reserves £'000
At 1 February 2010 (as previously stated)	2,098	2,955	16,493	17,690	638	(22,304)	233	17,803
Prior period adjustment	80	-	(11,736)	527	(80)	11,736	-	527
At 1 February 2010 (restated)	2,178	2,955	4,757	18,217	558	(10,568)	233	18,330
Transfer of merger investment disposals	-	-	(1,471)	-	-	1,471	-	-
Profit/(loss) for the year	-	-	-	-	-	2,471	(109)	2,362
At 31 January 2011	2,178	2,955	3,286	18,217	558	(6,626)	124	20,692

* *Restatement – During the year it was identified that buybacks totalling 3,240,564 shares had not been carried out in accordance with the Companies Act. Under section 692(2) of the Companies Act 2006 a buyback of shares must be financed from distributable reserves. The relevant accounts filed for 31 January 2009 and 31 January 2010 did not show sufficient distributable reserves under section 836 and therefore the buybacks have been reversed. The effect of this on prior years is to restate share capital and the capital redemption reserve by £80,000 and increase the special reserve by the cost of these buybacks, being £527,000. The payments made in respect of the illegal buy backs in each respective year are shown in the cash flow statement. The cost of all of the illegal buybacks undertaken is shown as a debtor which will be recovered once these financial statements are filed demonstrating sufficient distributable reserves, allowing the buybacks to be reinstated.*

The merger reserve is a non-distributable reserve and was created when the company merged with Singer & Friedlander AIM VCT and Singer & Friedlander AIM 2 VCT in February 2006. It reflected the excess of the value of the investments acquired over the nominal value of the ordinary shares issued. Following a review, and in accordance with ICAEW Technical guidance on distributable profits (Tech 2/10), it was identified that the merger reserve should have been released to the realised capital reserve as the assets acquired as a consequence of the merger were subsequently disposed of or permanently impaired. Consequently, the opening merger reserve and realised capital reserve have been restated in prior years by £11,736,000 in respect of assets disposed of or impaired in prior years. A further transfer of £1,471,000 from the merger reserve to the realised capital reserve has been made in the current year.

In addition to the restatements in the share capital and reserves noted above, the restatements also affected the total shareholders' funds, ordinary shares in issue, net asset value and return per share figures reported in the previous accounts, which are now restated accordingly.

***These reserves are not distributable.*

The realised and unrealised Capital reserve have been amalgamated under the revised SORP, as there is no requirement to show realised and unrealised separately.

At 31 January 2011, the capital reserve constitutes realised losses of £3,930,000 (31 January 2010: £1,085,000 restated) and investment holding losses of £2,696,000 (31 January 2010: £9,483,000 restated).

Distributable reserves comprise the special reserve, the revenue reserve and the capital reserve. At 31 January 2011, the amount of reserves deemed distributable is £11,715,000 (31 January 2010: £7,882,000 restated), a net movement in the period of £3,833,000. The net movement is comprised of the gain on ordinary activities in the income statement of £2,362,000, plus the transfer of investment losses to the merger reserve of £1,471,000.

13 Net Asset Value per Ordinary Share

The calculation of net asset value per share at 31 January 2011 is based on net assets of £20,692,000 (31 January 2010: £18,330,000 restated) divided by the 43,557,324 (31 January 2010: 43,557,324 restated) shares in issue at the year end. There is no dilutive effect on the net asset value per share for outstanding convertible securities (as explained in note 4) therefore considered to be no difference between the basic and diluted net asset value per share.

14 Analysis of Changes in Cash

	2011 £'000	2010 £'000
At 1 February	(24)	2,000
Increase/(decrease) in cash	273	(2,024)
At 31 January	249	(24)

15 Reconciliation of profit/(loss) on Ordinary Activities Before Taxation to Net Cash Outflow from Operating Activities

	2011 £'000	2010 £'000
Profit/(loss) on ordinary activities before taxation	2,362	(972)
Net (gains)/losses on investments	(2,710)	724
Increase/(decrease) in creditors, excluding corporation tax payable	16	(21)
Decrease in debtors	46	13
Amortisation of discount on fixed interest securities	(7)	(25)
Net cash outflow from operating activities	(293)	(281)

16 Significant Interests

The Company has the following significant interests (amounting to an investment of 3% or more of the equity capital of an undertaking):

	Nominal	% held
Sportsweb.com	58,688	11.4
Mediwatch plc	9,523,833	6.8
RTC Group plc	537,500	6.0
Coolabi plc	2,585,883	4.7
Lo-Q plc	748,500	4.6
Savile Group plc	600,000	4.0
Fulcrum Utility Services Limited	5,167,557	3.3
ILX Group plc	890,000	3.3
Kiotech International plc	579,710	3.2

17 Unquoted investments

During the year the Company made the following material disposals and write-offs of unquoted investments:

- At 31 January 2010 the Company held 18,000 shares in Optimisa at a cost of £403,000 and valuation of £19,000. During the year ended 31 January 2011 the Company fully realised this investment for £46,000.

18 Post Balance Sheet Events

No significant transactions have taken place between 31 January 2011 and the date of this report.

19 Segmental Analysis

The operations of the Company comprise one activity undertaken wholly in the United Kingdom.

20 Investment in subsidiary

The Company has a subsidiary, Singer & Friedlander AIM 3 VCT Limited, created for the purpose of keeping the Singer & Friedlander AIM 3 VCT PLC name. The issued share capital is 1 share with the nominal value of £1 and is 100% owned by ViCTory VCT PLC. There have been no transactions in this company during the year. Under section 405 of the Companies Act 2006 this subsidiary undertaking is excluded from these financial statements, as its inclusion is not material for the purpose of giving a true and fair view. These financial statements present only information about the Company as an individual undertaking.

21 Financial Instruments

The Company's financial instruments comprise equity and fixed interest investments, cash balances and liquid resources including debtors and creditors. The Company holds financial assets in accordance with its investment policy to invest in qualifying investments predominantly in AIM traded companies or companies to be traded on AIM.

Classification of financial instruments

The Company held the following categories of financial instruments at 31 January:

	2011 (Book value) £'000	2011 (Fair value) £'000	2010 (Book value) £'000	2010 (Fair value) £'000
Assets at fair value through profit and loss				
Investment portfolio	19,215	19,215	17,895	17,895
Loans and receivables				
Receivable for investments sold	257	257	-	-
Accrued income and other debtors	1,124	1,124	595	595
Cash at bank	249	249	1	1
Liabilities measured at amortised cost				
Bank overdraft	-	-	(25)	(25)
Accrued expenses	(153)	(153)	(136)	(136)
Total for financial instruments	20,692	20,692	18,330	18,330
Total net assets	20,692	20,692	18,330	18,330

Fixed asset investments (see note 8) are valued at fair value. For quoted securities this is generally the bid price. In respect of unquoted investments, these are valued by the directors using rules consistent with IPEV guidelines. The fair value of all other financial assets and liabilities is represented by their carrying value in the balance sheet.

The Company's investing activities expose it to various types of risk that are associated with the financial instruments and markets in which it invests. The most important types of financial risk to which the Company is exposed are market risk, credit risk and liquidity risk. The nature and extent of the financial instruments outstanding at the balance sheet date and the risk management policies employed by the Company are discussed below.

In order to provide further information on the valuation techniques used to measure assets carried at fair value, the measurement basis has been categorised into a "fair value hierarchy" as follows:

– **Quoted market prices in active markets – "Level 1"**

Inputs to Level 1 fair values are quoted prices in active markets. An active market is one in which transactions occur with sufficient frequency and volume to provide pricing information on an ongoing basis. The Company's investments classified within this category are AIM traded companies and fully listed companies.

– **Valued using models with significant observable market parameters – "Level 2"**

Inputs to Level 2 fair values are inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly.

– **Valued using models with significant unobservable market parameters – "Level 3"**

Inputs to Level 3 fair values are unobservable inputs for the asset. Unobservable inputs may have been used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset at the measurement date (or market information for the inputs to any valuation models). As such, unobservable inputs reflect the assumptions the Company considers that market participants would use in pricing the asset. The Company's unquoted equities and loan stock are classified within this category. As explained in note 1, unquoted investments are valued in accordance with the International Private Equity and Venture Capital Association ("IPEV") guidelines. Changing one or more inputs to other reasonable input assumptions for Level 3 assets would not have a significant impact on the valuation reported in the accounts.

Financial assets at fair value

At 31 January 2011

	Year ended 31 January 2011				Year ended 31 January 2010			
	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Ordinary shares	17,810	-	507	18,317	13,432	-	336	13,768
Loan stock investments	-	-	898	898	4,027	100	-	4,127
	17,810	-	1,405	19,215	17,459	100	336	17,895

21 Financial Instruments (continued)

Level 3 financial assets at fair value

At 31 January 2011

	Year ended 31 January 2011 Ordinary shares £'000	Loan stock £'000	Total £'000	Year ended 31 January 2010 Ordinary Shares £'000	Loan stock £'000	Total £'000
Opening balance at 1 February 2010	336	-	336	1,556	100	1,656
Transfers to Level 3	-	-	-	3,287	-	3,287
Purchases	189	819	1,008	-	160	160
Disposal proceeds	(46)	-	(46)	-	-	-
Total net gains/(losses) recognised in the income statement	28	79	107	(4,507)	(260)	(4,767)
Closing balance at 31 January 2011	507	898	1,405	336	-	336

22 Market Risk

Market risk arises from uncertainty about the future prices of financial instruments held in accordance with the Company's investment objectives. It represents the potential loss that the Company might suffer through holding positions in the face of market investments.

The Company's strategy on the management of market risk is driven by the Company's investment objective as outlined in the corporate objective on page 1. The management of market risk is part of the investment management process. The Board seeks to mitigate the internal risks by setting policy, regular reviews of performance, enforcement of contractual obligations and monitoring progress and compliance with an awareness of the effects of adverse price movements through detailed and continuing analysis, with an objective of maximising overall returns to shareholders. Investments in unquoted stocks and AIM traded companies, by their nature, involve a higher degree of risk than investments in the main market. Some of that risk can be mitigated by diversifying the portfolio across business sectors and asset classes. The Company's overall market positions are monitored by the board on a quarterly basis.

Details of the Company's investments at the balance sheet date are disclosed in the Investment Portfolio on pages 10 and 11.

As at 31 January 2011 92.7% (31 January 2010: 98.1%) of the Company's investments are traded on AIM or fully listed. A 10% increase in stock prices as at 31 January 2011 would have increased the net assets attributable to the Company's shareholders and the total profit for the year by £1,781,000 (31 January 2010: £1,755,000); an equal change in the opposite direction would have decreased the net assets attributable to the Company's shareholders and the total profit for the year by an equal amount.

As at 31 January 2011 7.3% (31 January 2010: 1.9%) of the Company's investments are in unquoted companies held at fair value. A 10% increase in the valuations of unquoted investments at 31 January 2011 would have increased the net assets attributable to the Company's shareholders and the total profit for the year by £140,500 (31 January 2010: £34,000); an equal change in the opposite direction would have decreased the net assets attributable to the Company's shareholders and the total profit for the year by an equal amount.

23 Interest Rate Risk

Fixed rate

Two of the Company's financial assets are interest bearing at a fixed rate. As a result, the Company is subject to exposure to fair value interest rate risk due to fluctuations in the prevailing levels of market interest rates, however the impact of a reasonable movement in interest rates would not be significant to the net assets and profit for the year.

The total current market value of these stocks is £898,000, the weighted average interest rate is 6.2% and the average period to maturity is 1 year.

24 Credit Risk

Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Company. This is deemed not to be a material risk. The carrying amount of financial assets best represents the maximum credit risk exposure at the balance sheet date. At 31 January 2011, the financial assets exposed to credit risk amounted to £2,528,000 (31 January 2010: £596,000).

Credit risk on the unquoted loan stock held within unlisted investments is considered to be part of market risk.

Credit risk arising on transactions with brokers relates to transactions awaiting settlement. Risk relating to unsettled transactions is considered to be small due to the short settlement period involved, the high credit quality of the brokers used and the fact that almost all transactions are on a 'delivery versus payment' basis. The Manager monitors the quality of service provided by the brokers used to further mitigate this risk.

All the assets of the Company which are traded on AIM are held by Bank of New York Nominees, the Company's custodian. Bankruptcy or insolvency of the custodian may cause the Company's rights with respect to securities held by the custodian to be delayed or limited.

At 31 January 2011, substantially all of the cash held by the Company was held by The Bank of New York. Bankruptcy or insolvency of this institution may cause the Company's rights with respect to the cash held by it to be delayed or limited. Should the credit quality or the financial position of this institution deteriorate significantly the Company has the ability to move the cash at short notice.

There were no significant concentrations of credit risk to counterparties at 31 January 2011 or 31 January 2010.

25 Liquidity Risk

The Company's financial instruments include investments in unlisted equity investments which are not traded in an organised public market and which generally may be illiquid. As a result, the Company may not be able to liquidate quickly some of its investments in these instruments at an amount close to their fair value in order to meet its liquidity requirements, or to respond to specific events such as deterioration in the creditworthiness of any particular issuer. The proportion of the portfolio invested in unlisted equity investments is not considered significant to the liquidity position of the VCT given the amount of investments in readily realisable securities.

The Company's liquidity risk is managed on an ongoing basis by the Manager in accordance with policies and procedures in place as described in the Directors' Report and Business Review on pages 18 to 23. The Company's overall liquidity risks are monitored on a quarterly basis by the board.

The Company maintains sufficient investments in cash and readily realisable securities to pay accounts payable and accrued expenses. At 31 January 2011, these investments were valued at £5,702,000 (31 January 2010: £5,762,000).

26 Capital Management Policies and Procedures

The Company's capital management objectives are:

- to ensure that it will be able to continue as a going concern;
- to satisfy the relevant HMRC requirements; and
- to maximise the income and capital returns to its shareholders.

As a VCT, the Company must have, within 3 years of raising its capital, at least 70% by value of its investments in VCT qualifying holdings, which are relatively high risk UK smaller companies. In satisfying this requirement, the Company's capital management scope is restricted. The Company does have the option of maintaining or adjusting its capital structure by varying dividends, returning capital to shareholders, issuing new shares or selling assets to maintain a certain level of liquidity. There has been no change in the objectives, policies or processes for managing capital from the previous year.

The Board, with the assistance of the Manager, monitors and reviews the broad structure of the Company's capital on an ongoing basis. This review includes:

- the need to buy back equity shares for cancellation, which takes account of the difference between the net asset value per share and the share price (ie the premium or discount);
- the need for new issues of shares; and
- the extent to which revenue in excess of that which is to be distributed should be retained.

Notice is hereby given that the annual general meeting of ViCTory VCT PLC (the "**Company**") will be held on Tuesday 14 June 2011 at 11.30 am at offices of J O Hambro Capital Management Limited, Ground Floor, Ryder Court, 14 Ryder Street, London SW1Y 6QB (the "**Meeting**") for the transaction of the following business:

Ordinary Business

To consider, and if thought fit, to pass the following Resolutions 1 to 6 as Ordinary Resolutions of the Company:

Ordinary Resolutions

1. "To receive and adopt the Directors' Report and financial statements of the Company for the financial year ended 31 January 2011 together with the Independent Auditor's Report thereon."
2. "To approve the Directors' Remuneration Report for the financial year ended 31 January 2011."
3. "To approve a final dividend of 2.0p per share payable to shareholders on the register at 24 June 2011.
4. "To appoint PKF (UK) LLP of Farringdon Place, 20 Farringdon Road, London, EC1M 3AP as auditor of the Company from the conclusion of the Meeting until the conclusion of the next annual general meeting of the Company to be held in 2012 at which financial statements are laid before the Company."
5. "To authorise the directors to fix the remuneration of the auditor."
6. "To re-elect Mr Christopher Moorsom, as a director of the Company, who is retiring by rotation."
7. "To re-elect Mr David Page, as a director of the Company, who is retiring by rotation."

Special Business

To consider, and if thought fit, to pass the following Resolutions, Resolution 8 as an Ordinary Resolution and Resolutions 9 and 10 as Special Resolutions of the Company:

Ordinary Resolution

8. "THAT in substitution for any existing authority under section 551 of the Companies Act 2006, as amended (the "**Act**") but without prejudice to the exercise of any such authority prior to the date of the passing of this Resolution the board be and is hereby generally and unconditionally authorised to exercise all the powers of the Company to allot ordinary shares of 5p each ("**Ordinary Shares**") up to an aggregate nominal amount of £2,822,133 during the period commencing on the passing of this Resolution and expiring on the earlier of the date of the annual general meeting of the Company to be held in 2012 and the date which is 18 months after the date on which this Resolution is passed, (unless previously revoked, varied or extended by the Company in general meeting), save that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the board may allot relevant securities in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

Special Resolutions

9. "THAT in substitution for any existing authority under section 570 and 573 of the Act but without prejudice to the exercise of any such authority prior to the date of the passing of this Resolution the board be and is hereby generally and unconditionally empowered, pursuant to section 561(1) of the Act, to allot Ordinary Shares for cash pursuant to the authority conferred by Resolution 8 above as if subsection 561(1) of the Act did not apply to any such allotment, up to an aggregate nominal amount of £2,822,133. The authority hereby conferred shall (unless previously renewed or revoked) expire on the earlier of the annual general meeting of the Company to be held in 2012 and the date that is 18 months after the date on which this Resolution is passed."
10. "THAT the Company be and is hereby generally and unconditionally authorised to make market purchases within the meaning of Section 693(4) of the Act, of the Ordinary Shares on such terms and in such manner as the directors of the Company may determine provided that:
    (i) the maximum aggregate number of Ordinary Shares hereby authorised to be purchased represents approximately 14.99% of the issued ordinary share capital of the Company as at the date of the annual general meeting;
    (ii) the minimum price which may be paid for an Ordinary Share is 5p per share, the nominal amount thereof;
    (iii) the maximum price (exclusive of expenses) which may be paid for an Ordinary Share shall be the higher

of not more than (i) 5% above the average of the middle market quotations for an Ordinary Share on The London Stock Exchange Daily Official List for the five business days immediately preceding the day on which that Ordinary Share is purchased and (ii) the higher of the last independent trade and the highest current bid on The London Stock Exchange;

iv) the authority hereby conferred shall (unless previously renewed, varied or revoked) expire on the earlier of the annual general meeting of the Company to be held in 2012 and the date which is 18 months after the date on which this Resolution is passed; and

(v) the Company may make a contract or contracts to purchase its own Ordinary Shares under this authority before the expiry of the authority which will or may be executed wholly or partly after the expiry of the authority, and the Company may make a purchase in pursuance of any such contract or contracts as if the authority conferred hereby had not expired."

By order of the board

The City Partnership (UK) Limited
Secretary

Registered office:
27/28 Eastcastle Street
London W1W 8DH

9 May 2011

Notes

1. A member entitled to attend and vote at the Meeting convened by the above Notice is entitled to appoint one or more proxies to attend and, on a poll, to vote in his place. A proxy need not be a member of the Company.
2. To appoint a proxy you may use the Form of Proxy enclosed with this Notice of Annual General Meeting. To be valid, the Form of Proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy of the same, must be deposited by 11.30 am on 10 June 2011 at the offices of Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU. Completion of the Form of Proxy will not prevent you from attending and voting in person.
3. Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, only shareholders registered in the register of members of the Company on 9 May 2011 (being the last business day prior to the publication of this Notice) shall be entitled to attend and vote at the Annual General Meeting in respect of the number of shares registered in their name at such time. If the Meeting is adjourned, the time by which a person must be entered on the register of members of the Company in order to have the right to attend and vote at the adjourned Meeting is 48 hours before the time appointed for the adjourned Meeting. Changes to the register of members after the relevant times shall be disregarded in determining the rights of any person to attend and vote at the Meeting.
4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, you should photocopy the proxy form. Please indicate in the box next to the proxy holder's name the number of securities in relation to which they are authorised to act as your proxy. Please also indicate by ticking the box provided if the proxy instruction is one of multiple instructions being given. All forms must be signed and returned together in the same envelope.
5. A reply paid form of proxy is enclosed with members' copies of this document. To be valid, it should be lodged with the Company's registrars, Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU so as to be received not later than 48 hours before the time appointed for the Meeting or any adjourned meeting or, in the case of a poll taken subsequent to the date of the Meeting or adjourned meeting, so as to be received no later than 24 hours before the time appointed for taking the poll.
6. As at 9 May 2011 (being the last business day prior to the publication of this Notice) the Company's issued share capital consists of 43,557,324 shares of 5p each, carrying one vote each at an annual general meeting of the Company. Therefore, the total voting rights in the Company as at 9 May 2011 are 43,557,324.
7. Appointment of a proxy will not preclude a member from subsequently attending, voting and speaking at the Meeting should he or she subsequently decide to do so. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
8. Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "**Nominated Person**") may, under an agreement between the Nominated Person and the member by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
9. The statement of the rights of members in relation to the appointment of proxies in paragraphs 3 to 5 above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by members of the Company.
10. The Register of Directors' Interests will be available for inspection at the Meeting.
11. Except as provided above, members who have general queries about the Meeting should use the following means of communication (no other methods of communication will be accepted);

    - Calling Doreen Nic or Eddie Cheesman on 0131 243 7210 or
    - Emailing vct-enquiries@amatiglobal.com

    You may not use any electronic address provided either in this notice of Meeting or any related documents (including the chairman's letter and proxy form) to communicate with the Company for any purpose other than those expressly stated.

Share Price

The Company's shares are listed on the London Stock Exchange. The mid-price of the Company's shares is given daily in the Financial Times in the Investment Companies section of the London Share Service.

Net Asset Value per Share

The Company's net asset value per share as at 31 January 2011 was 47.5p. The Company normally announces its net asset value on a weekly basis. Net asset value per share information can be found on the Amati Global Investors' website: http://www.amatiglobal.com/vict.php

Financial Calendar

May 2011	Annual report for the year ended 31 January 2011 to be circulated to shareholders
June 2011	Interim Management Statement released
June 2011	Annual general meeting
September 2011	Half-yearly Report for the six months ending 31 July 2011 to be circulated to shareholders
November 2011	Interim management statement released
31 January 2012	Year-end

Annual General Meeting

The annual general meeting of the Company will be held on 14 June 2011 at 11.30 am at the offices of J O Hambro Capital Management Limited, Ground Floor, Ryder Court, 14 Ryder Street, London SW1Y 6QB.

The notice of the meeting, together with the enclosed proxy form, is included on pages 50 and 51 of this report.

The annual general meeting will include a presentation from the fund manager.

CORPORATE INFORMATION

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James Daryl Hambro
Mike Sedley Killingley
David Michael Page

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