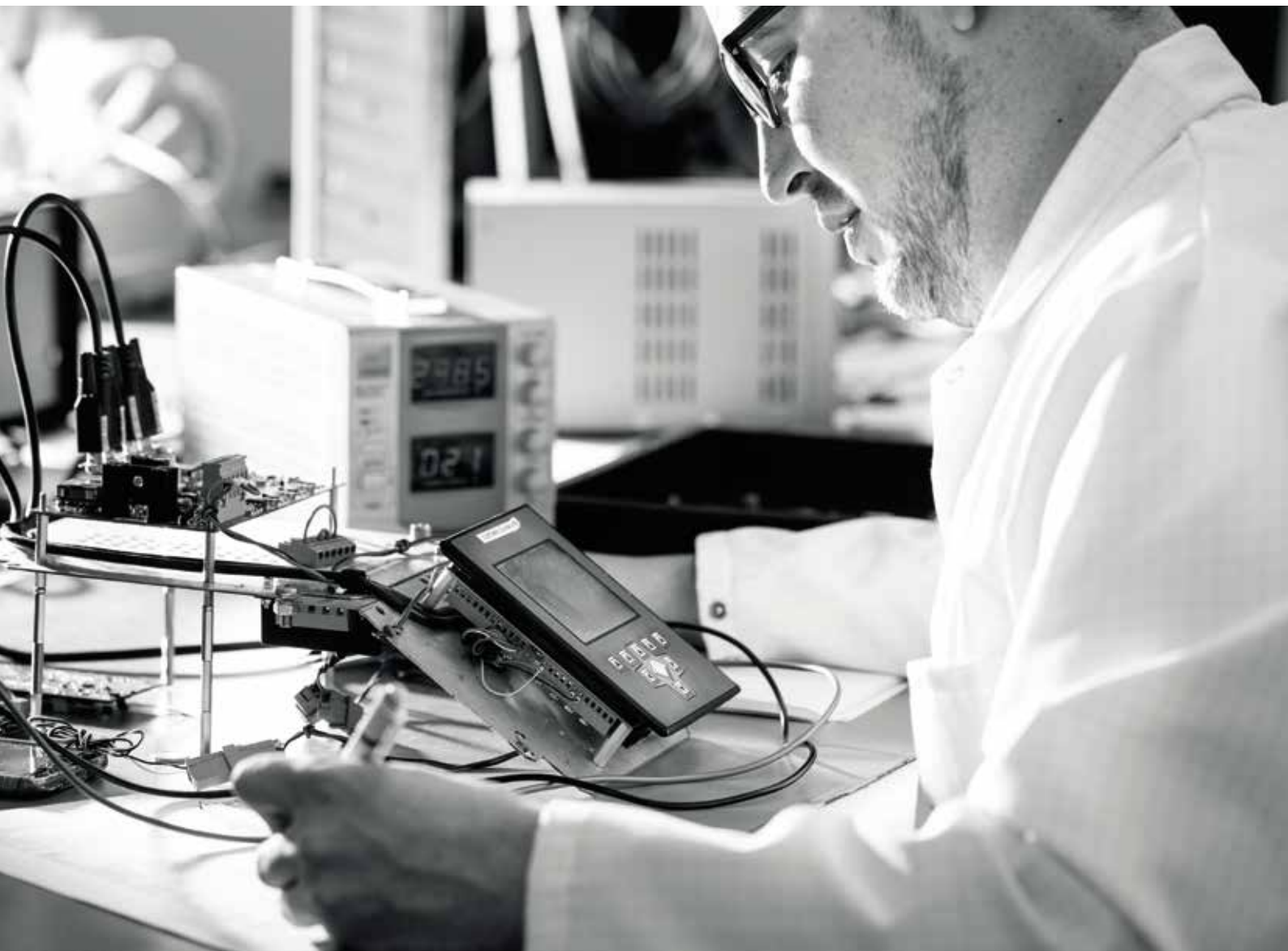


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## MAVEN INCOME AND GROWTH VCT 5 PLC

Annual Report  
For the Year Ended 30 November 2016

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# CORPORATE SUMMARY

Maven Income and Growth VCT 5 PLC (the Company) is a venture capital trust (VCT) and its shares are listed on the Premium segment of the official list and traded on the main market of the London Stock Exchange. It has one class of share and was incorporated on 3 October 2000.

## Investment Objective

The Company aims to achieve long-term capital appreciation and generate maintainable levels of income for Shareholders.

## Continuation Date

The Articles of Association require the Directors to put a proposal for the continuation of the Company, in its then form, to Shareholders at the Company's Annual General Meeting to be held in 2020 or, if later, at the Annual General Meeting following the fifth anniversary of the latest allotment of new shares.

## Share Dealing

Shares in the Company can be purchased and sold in the market through a stockbroker. For qualifying investors buying shares on the open market:

- dividends are free of income tax;
- no capital gains tax is payable on a disposal of shares;
- there is no minimum holding period;
- the value of shares, and income from them, can fall as well as rise;
- tax regulations and rates of tax may be subject to change;
- VCTs tend to be invested in smaller, unlisted companies with a higher risk profile; and
- the market for VCT shares can be illiquid.

The Stockbroker to the Company is Shore Capital Stockbrokers (020 7647 8132).

## Recommendation of Non-mainstream Investment Products

The Company currently conducts its affairs so that the shares issued by it can be recommended by authorised financial advisers to ordinary retail investors in accordance with the rules of the Financial Conduct Authority (FCA) in relation to non-mainstream investment products and intends to continue to do so for the foreseeable future. The Company's shares are excluded from the FCA's restrictions which apply to non-mainstream investment products because they are shares in a VCT and the returns to investors are predominantly based on investments in private companies or publicly quoted securities.

## Unsolicited Offers for Shares (Boiler Room Scams)

Shareholders in a number of UK registered companies have received unsolicited calls from organisations, usually based overseas or using false UK addresses or phone lines routed abroad, offering to buy shares at prices much higher than their current market values or to sell non-tradeable, overpriced, high risk or even non-existent securities. Whilst the callers may sound credible and professional, Shareholders should be aware that their intentions are often fraudulent and high pressure sales techniques may be applied, often involving a request for an indemnity or a payment to be provided in advance.

If you receive such a call, you should exercise caution and, based on advice from the FCA, the following precautions are suggested:

- obtain the name of the individual or organisation calling;
- check the FCA register to confirm if the caller is authorised;
- call back using the details on the FCA register to verify the caller's identity;
- discontinue the call if you are in any doubt about the intentions of the caller, or if calls persist; and
- report any individual or organisation that makes unsolicited calls with an offer to buy or sell shares to the FCA and the City of London Police.

## Useful Contact Details:

ACTION FRAUD

Telephone: 0300 123 2040

Website: [www.actionfraud.police.uk](http://www.actionfraud.police.uk)

FCA

Telephone: 0800 111 6768 (freephone)

E-mail: [consumer.queries@fca.org.uk](mailto:consumer.queries@fca.org.uk)

Website: [www.fca.org.uk](http://www.fca.org.uk)



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## Shareholders' Calendar

Annual General Meeting 25 April 2017

## Dividend Schedule

### Interim dividend

Rate 0.95p

XD date 11 August 2016

Record date 12 August 2016

Payment date 9 September 2016

### Proposed final dividend

Rate 1.70p

XD date 30 March 2017

Record date 31 March 2017

Payment date 28 April 2017

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# FINANCIAL HIGHLIGHTS

## Financial History

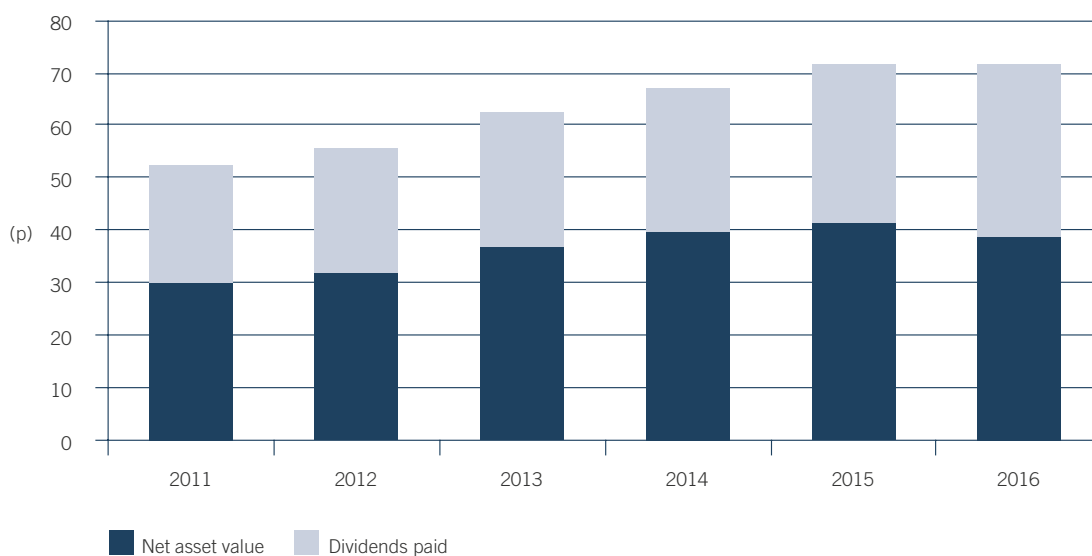
	30 November 2016	30 November 2015	30 November 2014
Net asset value (NAV)	£30,011,000	£32,032,000	£26,702,000
NAV per Ordinary Share	38.92p	41.42p	39.50p
Dividends paid or proposed for year	2.65p	2.65p	2.50p
Dividends paid to date	32.75p	30.05p	27.45p
<b>NAV total return per share<sup>1</sup></b>	<b>71.67p</b>	<b>71.47p</b>	<b>66.95p</b>
Share price <sup>2</sup>	36.25p	36.00p	35.12p
Discount to NAV	6.86%	13.09%	11.09%
Annual yield <sup>3</sup>	7.31%	7.36%	7.12%
Ordinary Shares in issue	77,111,087	77,341,087	67,602,492

<sup>1</sup>Sum of current NAV per share and dividends paid to date (excluding initial tax relief).

<sup>2</sup>Mid-market price (Source: London Stock Exchange).

<sup>3</sup>Based on full year dividend and share price at year end.

## NAV Total Return Performance

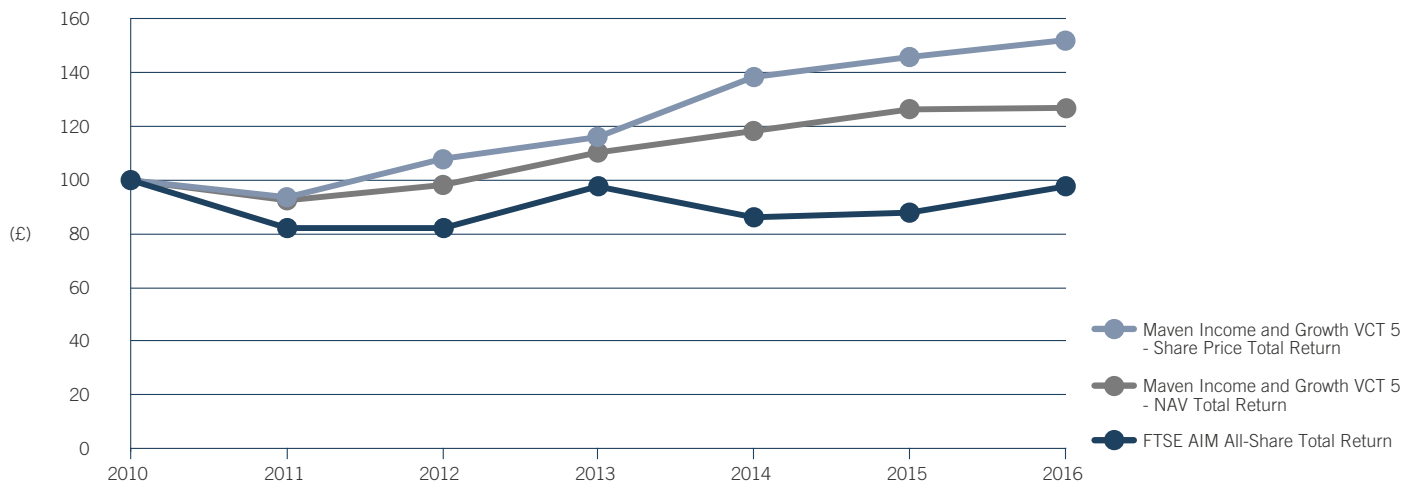


The above chart shows the NAV total return per share as at 30 November in each year.

Dividends that have been proposed but not yet paid are included in the NAV at the balance sheet date.

The policy for valuing investments is disclosed in Note 1 to the Financial Statements.

## Comparative Performance



The graph above compares the total returns on an investment of £100 in the Ordinary Shares of the Company, for each annual accounting period from 30 November 2010 to 30 November 2016 and assuming all dividends are reinvested, with the total shareholder return on a notional investment of £100 made up of shares of the same kind and number as those by reference to which the FTSE AIM All-Share index is calculated. This index was chosen for comparison purposes as it is the most relevant to the Company's investment portfolio, with the commencement date being the closest financial reporting period end to the appointment of the Manager.

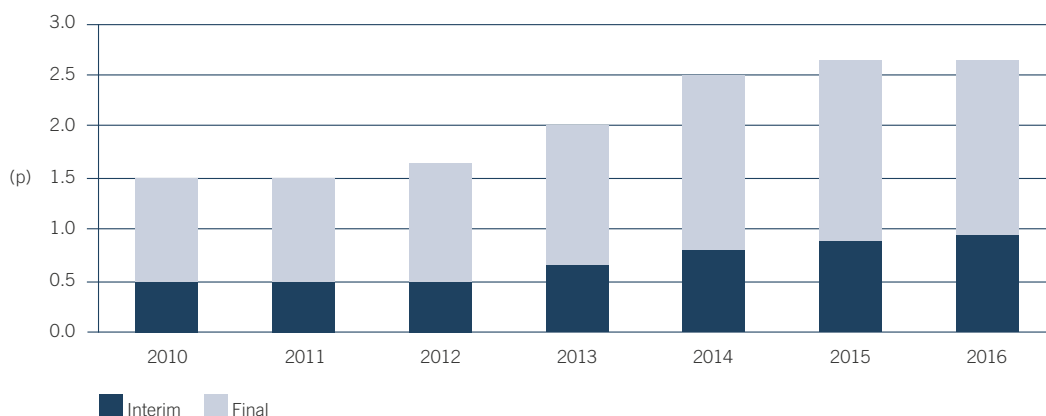
Source: Maven Capital Partners UK LLP/London Stock Exchange

Please note that past performance is not necessarily a guide to future performance.

## Dividends

Year ended 30 November	Payment date	Interim/final	Rate (p)
2001 - 2011			23.0
2012	31 August 2012	Interim	0.50
	24 May 2013	Final	1.15
2013	30 August 2013	Interim	0.65
	30 May 2014	Final	1.35
2014	29 August 2014	Interim	0.80
	5 June 2015	Final	1.70
2015	28 August 2015	Interim	0.90
	29 April 2016	Final	1.75
2016	9 September 2016	Interim	0.95
<b>Total dividends paid</b>			<b>32.75</b>
2016	28 April 2017	Proposed final	1.70
<b>Total dividends paid or proposed</b>			<b>34.45</b>

## Dividend Record



## YOUR BOARD

**The Board of three Directors, all of whom are non-executive and considered by the Board to be independent of the Manager, supervises the management of Maven Income and Growth VCT 5 PLC and looks after the interests of its Shareholders. The Board is responsible for setting and monitoring the Company's strategy and the biographies set out below indicate the Directors' range of investment, commercial and professional experience. Further details are also provided in the Directors' Report and in the Statement of Corporate Governance.**



**Allister Langlands**  
Chairman and Independent  
Non-executive Director

**Relevant experience and other directorships:** Allister is chairman of Exova Group plc and is a non-executive director of WS Atkins PLC and Standard Life UK Smaller Companies Trust plc and a number of private companies. He was previously chairman of John Wood Group PLC, having served as chief executive from 2007 to 2012 and previously as deputy chief executive from 1999 and as group finance director from 1991. Allister has an MA (Hons) in Economics from the University of Edinburgh and completed the Harvard Advanced Management Program in 1999. He is also a member of the Institute of Chartered Accountants of Scotland, having trained with Deloitte Haskins & Sells (now PwC) before being made a partner in 1989.

**Length of service:** He was appointed as a Director on 1 June 2013 and Chairman on 22 April 2014.

**Last re-elected to the Board:** 19 April 2016

**Committee membership:** Audit, Management Engagement (Chairman), Nomination (Chairman), Remuneration (Chairman) and Risk.

**Employment by the Manager:** None

**Shared directorships with other Directors:** None

**Shareholding in Company:** 695,465 Ordinary Shares



**Gordon Humphries**  
Independent Non-executive Director

**Relevant experience and other directorships:** Gordon has over 30 years' experience in financial services, particularly with regard to investment trusts. He was an investment director and the head of investment companies at Standard Life Investments and prior to that was joint head of investment trusts at F&C Asset Management. Gordon has an MA (Hons) in Economics and Accountancy from the University of Edinburgh and he joined Ivory & Sime plc in 1988 after qualifying as a chartered accountant with Deloitte Haskins & Sells (now PwC). He is also a director of Foresight VCT plc and a former member of the Institute of Chartered Accountants of Scotland Audit and Assurance Committee for the period 2005 to 2015.

**Length of service:** He was appointed as a Director on 7 February 2006.

**Last re-elected to the Board:** 19 April 2016

**Committee membership:** Audit (Chairman), Management Engagement, Nomination, Remuneration and Risk (Chairman).

**Employment by the Manager:** None

**Shared directorships with other Directors:** None

**Shareholding in Company:** 62,090 Ordinary Shares

**Charles Young**

Independent Non-executive Director

**Relevant experience and other directorships:** Charles is chief executive of EG Thomson (Holdings) Limited, a private investment company. He is also a non-executive director of Ben Line Agencies Limited, and his former directorships include Minoan Group Plc and Exakt Precision Tools Limited. Charles is a Bachelor of Laws and is a member of the Institute of Chartered Accountants of Scotland, having trained with Arthur Young McClelland Moores & Co (now part of EY). He was employed by The British Linen Bank Limited between 1979 and 1997, serving as a main board director from 1991 until 1997, as a director of its corporate finance division from 1986 to 1992 and as managing director of its private equity operations from 1992 to 1997.

**Length of service:** He was appointed as a Director on 1 June 2013.

**Last re-elected to the Board:** 19 April 2016

**Committee membership:** Audit, Management Engagement, Nomination, Remuneration and Risk.

**Employment by the Manager:** None

**Shared directorships with other Directors:** None

**Shareholding in Company:** 89,443 Ordinary Shares



# CHAIRMAN'S STATEMENT



**On behalf of your Board, I am pleased to announce the results for the year to 30 November 2016. During the period under review, NAV total return increased to 71.67p per share. Since Maven's appointment as Manager in 2011, the NAV total return per share has progressed from 52.24p to 71.67p, an increase of 37.19%. This steady performance demonstrates the progressive implementation of the investment strategy which has the primary objective of delivering consistent Shareholder returns by rebalancing the portfolio towards private equity investments with a reduction in the exposure to AIM. The Board is proposing a final dividend of 1.70p per share, bringing the full year dividend to 2.65p per share.**

The period under review has been one of considerable change for the UK VCT industry following the introduction of the revised VCT legislation, which was enacted in November 2015. The new rules have introduced a number of restrictions on the types of transactions and companies in which VCTs can invest, requiring the Manager to focus on the provision of development capital, or investing in businesses with growth finance requirements, rather than management buy-outs or acquisition based transactions which have traditionally offered a more stable return profile. The revised legislation has also introduced limitations on the ability of VCTs to participate in AIM investments, owing to the restrictions imposed by the new rules on a VCT's ability to finance acquisitions in order to retain qualifying status, which has the potential to curb a quoted company's growth ambition should it wish to expand. On this basis, and consistent with the investment strategy, no new AIM investments have been completed during the reporting period and the proportion of the portfolio invested in AIM has reduced to 30% of net assets, from 34% in 2015 and 84% in 2011 when Maven was appointed as Manager. The strategy remains to further reduce the AIM portfolio, subject to suitable market conditions and appropriate liquidity.

The investment team at Maven is highly experienced at sourcing and executing transactions that meet the revised qualification criteria, and the Board is encouraged by the manner in which the Manager has adapted to these changes, as demonstrated by the four new qualifying investments completed during the reporting period. The Directors are also aware that there is a large and diverse pipeline of prospective new investments, at various stages of the diligence process, and anticipate seeing a number of these transactions complete during the first half of the current financial year. The Board is pleased to report that two further investments completed shortly after the period end, details of which can be found in the Investment Manager's Review on pages 18 to 23 of this Annual Report.

The Board believes that considerable progress has been achieved by your Company during the reporting period notwithstanding the challenges presented by the implementation of the revised legislation, the economic uncertainty introduced following the European Union (EU) referendum in June 2016 and the ongoing impact of the low oil price. Notable highlights include the completion of four new qualifying private equity investments and a number of profitable realisations, including the exit from **Westway Services Holdings** in December 2015, achieving a return of 3.6 times cost over the period of investment, and **Dantec Hose** in February 2016, achieving a 2.1 times return. The Board is aware that discussions are in progress regarding a number of potential exits from several of the more mature portfolio companies, although there can be no certainty that these will lead to profitable realisations.

The portfolio has traded well during the period, as can be seen from the detailed analysis of the portfolio developments included in the Investment Manager's review. The continuing growth experienced by a number of private company holdings has enabled the values of these assets to be increased, reflecting positive trading results. The Board remains conscious of the impact that the low oil price is having on companies with exposure to this sector. Whilst direct remedial action has been taken by investee companies with exposure to the oil & gas market, the ongoing impact of the external environment remains challenging, and is expected to remain so until at least the second half of 2017. As such, the valuations of a number of these investments have been reduced to reflect the market conditions.

## HIGHLIGHTS FOR THE YEAR

NAV total return of 71.67p  
per share (2015: 71.47p)  
at the year end

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NAV at year end of 38.92p  
per share (2015: 41.42p) after  
payment of dividends totalling  
2.70p during the year

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Four new private equity  
investments added to the portfolio

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Strong pipeline of qualifying  
private equity investments, with  
a number in advanced process

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Realisation of Westway  
Services Holdings for a total  
return of 3.6 times cost

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Exit from Dantec Hose, generating  
a total return of 2.1 times cost

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A total of £1,651,000 of proceeds  
realised from AIM disposals

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AIM concentration reduced  
to 30% of net assets

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Annual dividend maintained at  
2.65p per share

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Whilst the full impact of the UK's decision to leave the EU will become clearer once formal negotiations commence, the Board and the Manager have conducted a review of the portfolio and, at present, believe that any overall impact is not likely to be significant. The businesses in which your Company has invested will maintain or adapt their growth strategies as appropriate, with a number of exporters already seeing a short-term benefit from the devaluation of Sterling against several major currencies that has occurred since the EU referendum in June 2016.

### Dividends

The Board recommends that a final dividend of 1.70p per Ordinary Share, comprising 0.20p of revenue and 1.50p of capital, be paid on 28 April 2017 to Shareholders on the register on 31 March 2017. This would bring total dividends for the year to 2.65p per share representing a yield of 7.31% based on the year-end closing mid-market share price of 36.25p. The effect of paying the proposed final dividend would be to reduce the NAV of the Company by the total cost of the distribution.

Since the Company's launch, and after receipt of the proposed final dividend, Shareholders will have received 34.45p per share in tax-free dividends. However, the Board considers it important that Shareholders are aware that the move to support younger or earlier stage businesses, enforced by the change in VCT legislation, may result in less predictable capital gains and income flows, with the result that the quantum and timing of future dividend payments is likely to be subject to fluctuation.

### Fund Raising

As your Company currently enjoys significant cash liquidity available for new investment, the Board has elected not to raise further funds at present.

### Share Buy-backs

Shareholders should be aware that the Board's primary objective is for the Company to retain sufficient liquid assets for making investments in line with its stated policy and for the continued payment of dividends to Shareholders. However, the Directors also acknowledge the need to maintain an orderly market in the Company's shares, and have delegated authority to the Manager to buy back shares in the market for cancellation or to be held in treasury, subject always to such transactions being in the best interests of Shareholders.

It is intended that, subject to market conditions, available liquidity and the maintenance of the Company's VCT status, shares will be bought back at prices representing a discount of between 10% and 15% to the prevailing NAV per share.

### Regulatory Developments

As previously reported, the Finance Act (No. 2) 2015 was enacted in November 2015 and introduced a number of changes to the legislation governing VCTs. The new rules are designed to bring the UK VCT scheme into line with EU State Aid Rules for smaller company investment and have introduced a number of restrictions on the types of qualifying transactions and companies in which VCTs can invest. Unlike previous changes in legislation, the new rules apply to all funds raised by a VCT, including those raised prior to November 2015.

The new rules specifically prohibit participation in management buy-outs or acquisitions, and limit the ability to support older companies unless specific criteria are met. The emphasis is, therefore, on providing development capital to younger and earlier stage companies, or supporting more established businesses which can successfully demonstrate growth strategies that satisfy specific provisions under the revised qualification criteria. In a further amendment, the March 2016 Budget Statement included changes to the rules governing non-qualifying investments by VCTs. With effect from 6 April 2016, VCTs have only been able to make qualifying investments and certain limited investments for liquidity purposes, with other types of new non-qualifying investments now prohibited.

The revised legislation has imposed additional diligence requirements and administrative hurdles on the investment process to ensure that all aspects of the potential investment and transaction structure remain compliant with the new rules. The Manager continues to pursue a cautious approach, working closely with a specialist VCT adviser, engaged by the Company, to assist in interpreting the revised legislation and advising on the VCT tax clearance process with HM Revenue & Customs (HMRC) to ensure that advance assurance is obtained prior to any new investment proceeding. The Board welcomed the announcement in the Chancellor's 2016 Autumn Statement that, in response to the increased volume of applications submitted and the resultant delays experienced in obtaining clearance for proposed investments, a consultation is to be carried out to consider the options for streamlining the HMRC advance assurance service.

The 2016 Autumn Statement highlighted that the Government will no longer be initiating a review into the provision to allow replacement capital in certain new VCT transactions, but suggested that this may be reviewed at some point in the future. Whilst the Directors and the Manager were disappointed by this announcement, as the ability to include replacement capital was viewed as an important flexibility under the new rules, it does not impact the Company's investment strategy which has already been adapted to meet the requirements of the new rules.

### **Annual General Meeting (AGM)**

As Shareholders are aware, AGMs have been held in Glasgow and London in alternate years in order to allow a wide range of Shareholders the opportunity to meet the Directors and the Manager. The 2017 AGM will be held in the London office of Maven Capital Partners UK LLP on 25 April 2017 and the Notice of Annual General Meeting can be found on pages 71 to 75 of this Annual Report.

As Shareholders are aware, following a formal tender process, Deloitte LLP were appointed as auditor to the Company with effect from 9 September 2016. Shareholders will be asked to confirm their appointment at the forthcoming AGM.

### **The Future**

The past year has been one of transition for your Company as the Manager has adapted its investment approach to meet the requirements of the new VCT rules. The Directors are encouraged by the progress achieved during the year, particularly noting the six new investments which have completed to date, and believe that the outlook for the forthcoming year is positive given the strength of the existing portfolio and the pipeline of new opportunities currently in process. The Board believes that these new investments, together with potential realisations from the underlying portfolio, will enable your Company to continue to meet its investment objective and deliver sustainable growth in Shareholder returns for the foreseeable future.

**Allister Langlands**  
**Chairman**

**6 March 2017**

# SUMMARY OF INVESTMENT CHANGES

For the Year Ended 30 November 2016

	Valuation 30 November 2015		Net investment/ (disinvestment)	Appreciation/ (depreciation)	Valuation 30 November 2016	
	£'000	%	£'000	£'000	£'000	%
<b>Legacy Portfolio</b>						
<b>Unlisted investments</b>						
Equities	351	1.0	-	-	351	1.2
	<b>351</b>	<b>1.0</b>	<b>-</b>	<b>-</b>	<b>351</b>	<b>1.2</b>
<b>AIM/ISDX</b>	10,739	33.6	(1,651)	(259)	8,829	29.4
<b>Total Legacy Portfolio</b>	<b>11,090</b>	<b>34.6</b>	<b>(1,651)</b>	<b>(259)</b>	<b>9,180</b>	<b>30.6</b>
<b>Maven Portfolio</b>						
<b>Unlisted investments</b>						
Equities	5,533	17.3	(211)	590	5,912	19.7
Loan stocks	10,300	32.2	(577)	(46)	9,677	32.2
	<b>15,833</b>	<b>49.5</b>	<b>(788)</b>	<b>544</b>	<b>15,589</b>	<b>51.9</b>
<b>AIM/ISDX</b>	267	0.8	-	-	267	0.9
<b>Listed</b>						
Investment trusts	-	-	1,033	8	1,041	3.5
UK treasury bills	3,298	10.3	(3,316)	18	-	-
<b>Total Maven Portfolio</b>	<b>19,398</b>	<b>60.6</b>	<b>(3,071)</b>	<b>570</b>	<b>16,897</b>	<b>56.3</b>
<b>Total Portfolio</b>	<b>30,488</b>	<b>95.2</b>	<b>(4,722)</b>	<b>311</b>	<b>26,077</b>	<b>86.9</b>
Cash	1,717	5.3	2,386	-	4,103	13.7
Other assets	(173)	(0.5)	4	-	(169)	(0.6)
<b>Net assets</b>	<b>32,032</b>	<b>100.0</b>	<b>(2,332)</b>	<b>311</b>	<b>30,011</b>	<b>100.0</b>
Ordinary Shares in Issue	77,341,087				77,111,087	
Net asset value per share	41.42p				38.92p	
Mid-market price	36.00p				36.25p	
Discount	13.09%				6.86%	

# BUSINESS REPORT

**This Business Report is intended to provide an overview of the strategy and business model of the Company as well as the key measures used by the Directors in overseeing its management. The Company is a venture capital trust which invests in accordance with the investment objective set out in this Business Report.**

## Investment Objective

The Company aims to achieve long-term capital appreciation and generate maintainable levels of income for Shareholders. Maven Capital Partners UK LLP (Maven or the Manager) was appointed in February 2011 with a view to applying a new investment policy, as set out below, and changing the focus of the portfolio from AIM/ISDX quoted companies to unquoted private company investments.

## Business Model and Investment Policy

Under an investment policy approved by the Directors, the Company intends to achieve its objective by:

- investing the majority of its funds in a diversified portfolio of shares and securities in smaller, unquoted UK companies and AIM/ISDX quoted companies which meet the criteria for VCT qualifying investments and have strong growth potential;
- investing no more than £1 million in any company in one year and no more than 15% of the Company's assets by cost in one business at any time; and
- borrowing up to 15% of net asset value, if required and only on a selective basis, in pursuit of its investment strategy. The Board has no intention of approving any borrowing at this time.

## Principal Risks and Uncertainties

The principal risks and uncertainties facing the Company are as follows:

### Investment Risk

Many of the Company's investments are in small and medium sized unquoted UK companies and AIM/ISDX quoted companies which, by their nature, entail a higher level of risk and lower liquidity than investments in large quoted companies. The Board aims to limit the risk attaching to the investment portfolio as a whole by ensuring that a robust structured selection, monitoring and realisation process is applied. The Board reviews the investment portfolio with the Manager on a regular basis.

The Company manages and minimises investment risk by:

- diversifying across a large number of companies;
- diversifying across a range of economic sectors;
- actively and closely monitoring the progress of investee companies;
- seeking to appoint a non-executive director to the board of each private investee company, provided from the Manager's investment management team or from its pool of experienced independent directors;
- co-investing with other clients of the Manager in larger deals, which tend to carry less risk;
- not investing in hostile public to private transactions; and
- retaining the services of a manager that can provide the resources required to achieve the investment objective and meet the criteria stated above.

### Financial and Liquidity Risk

As most of the investments require a mid to long-term commitment and are relatively illiquid, the Company retains a portion of the portfolio in cash and listed investments in order to finance any new unquoted investment opportunities. The Company has only limited direct exposure to currency risk and does not enter into any derivative transactions.

### Economic Risk

The valuation of investment companies may be affected by underlying economic conditions such as fluctuating interest rates and the availability of bank finance.

### Credit Risk

The Company may hold financial instruments and cash deposits and is dependent on counterparties discharging their agreed responsibilities. The Directors consider the creditworthiness of the counterparties to such instruments and seek to ensure that there is no undue concentration of exposure to any one party.

### Internal Control Risk

The Board reviews regularly the system of internal controls, both financial and non-financial, operated by the Company and the Manager. These include controls designed to ensure that the Company's assets are safeguarded and that all records are complete and accurate.

### VCT Qualifying Status Risk

The Company operates in a complex regulatory environment and faces a number of related risks, including:

- becoming subject to capital gains tax on the sale of its investments as a result of a breach of Section 274 of the Income Tax Act 2007;
- loss of VCT status and the consequential loss of tax reliefs available to Shareholders as a result of a breach of the VCT regulations;
- loss of VCT status and reputational damage as a result of a serious breach of other regulations such as the FCA Listing Rules and the Companies Act 2006; and
- increased investment restrictions resulting from the EU State Aid Rules enacted through the Finance Act (No. 2) 2015.

### Legislative and Regulatory Risk

In order to maintain its approval as a VCT, the Company is required to comply with current VCT legislation in the UK as well as the EU State Aid Rules. Changes to either legislation could have an adverse impact on Shareholder investment returns whilst maintaining the Company's VCT status. The Board and the Manager continue to make representations where appropriate, either directly or through relevant industry bodies such as the Association of Investment Companies (AIC) and the British Venture Capital Association (BVCA).

The Company has retained Philip Hare & Associates LLP as VCT advisers.

Breaches of other regulations, including but not limited to, the Companies Act 2006, the FCA Listing Rules, the FCA Disclosure and Transparency Rules or the Alternative Investment Fund Managers Directive (the AIFMD), could lead to a number of detrimental outcomes and reputational damage.

The AIFMD, which regulates the management of alternative investment funds, including VCTs, introduced a new authorisation and supervisory regime for all investment companies in the EU. The Company is approved by the FCA as a self-managed small registered UK AIFM under the AIFMD.

The Company is also required to comply with tax legislation under the Foreign Account Tax Compliance Act and the Common Reporting Standard. The Company has appointed Capita Asset Services to act on its behalf to report annually to HMRC and ensure compliance with this legislation.

### Political Risk

In a referendum held on 23 June 2016, the UK voted to leave the EU (informally known as "Brexit"). The formal process of implementing this decision is governed by Article 50 of the Lisbon Treaty. The political, economic and legal consequences of the referendum vote are not yet known. It is possible that investments in the UK may be more subjective to value, may be more difficult to assess for suitability of risk, harder to buy or sell or may be subject to greater or more frequent rises and falls in value. In the longer term, there is likely to be a period of uncertainty as the UK seeks to negotiate its exit from the EU. The UK's laws and regulations concerning funds may in future diverge from those of the EU. This may lead to changes in the operation of the Company or the rights of investors or the territories in which the shares of the Company may be promoted and sold.

An explanation of certain economic and financial risks and how they are managed is also contained in Note 16 to the Financial Statements.

### Statement of Compliance with Investment Policy

The Company is adhering to its stated investment policy and managing the risks arising from it. This can be seen in various tables and charts throughout this Annual Report, from information provided in the Chairman's Statement and in the Investment Manager's Review. A review of the Company's business, its position as at 30 November 2016 and its performance during the year then ended is included in the Chairman's Statement, which also includes an overview of the Company's business model and strategy.

The management of the investment portfolio has been delegated to Maven, which also provides company secretarial, administrative and financial management services to the Company. The Board is satisfied with the depth and breadth of the Manager's resources and its network of offices which supply new deals and enable it to monitor the geographically widespread portfolio of companies effectively.

The Investment Portfolio Summary on pages 30 to 32 discloses the investments in the portfolio and the degree of co-investment with other clients of the Manager. The tabular analysis of the unlisted and quoted portfolio on pages 16 and 17 shows that the portfolio is diversified across a variety of industry sectors and deal types. The level of VCT qualifying investment is monitored by the Manager on a daily basis and reported to the Risk Committee quarterly.



### Key Performance Indicators

At each Board Meeting the Directors consider a number of financial performance measures to assess the Company's success in achieving its objectives, and these also enable Shareholders and prospective investors to gain an understanding of its business. The key performance indicators are as follows:

- NAV total return;
- dividend growth;
- share price discount to NAV;
- the progress being made on the transition of the legacy AIM portfolio to one focused on new unquoted investments;
- investment income; and
- operational expenses.

The NAV total return is a measure of Shareholder value that includes both the current NAV per share and the sum of dividends paid to date. The dividend growth measure shows how much of that Shareholder value has been returned to original investors in the form of dividends. A historical record of these measures is shown in the Financial Highlights on pages 5 and 6 and the profile of the portfolio is reflected in the Summary of Investment Changes on page 12. The Board reviews the Company's investment income and operational expenses on a quarterly basis as the Directors consider that both of these elements are important components in the generation of Shareholder returns.

There is no meaningful VCT index against which to compare the financial performance of the Company but, for reporting to the Board and Shareholders, the Manager uses comparisons with appropriate indices and the Company's peer group. The Directors also consider non-financial performance measures such as the flow of investment proposals and the Company's ranking within the VCT sector by independent analysts.

In addition, the Directors consider economic, regulatory and political trends and features that may impact on the Company's future development and performance.

### Valuation Process

Investments held by Maven Income and Growth VCT 5 PLC in unquoted companies are valued in accordance with the International Private Equity and Venture Capital Valuation Guidelines. Investments quoted or traded on a recognised stock exchange, including AIM, are valued at their bid prices.

### Share Buy-backs

The Board will seek the necessary Shareholder authority to continue to conduct a share buy-back programme under appropriate circumstances.

### Employee, Environmental and Human Rights Policy

The Company has no direct employee or environmental responsibilities, nor is it responsible for the emission of greenhouse gases. The Board's principal responsibility to Shareholders is to ensure that the investment portfolio is managed and invested properly. The Company has no employees and, accordingly, has no requirement to report separately on employment matters. The management of the portfolio is undertaken by the Manager through members of its portfolio management team. The Manager engages with the Company's underlying investee companies in relation to their corporate governance practices and in developing their policies on social, community and environmental matters and further information may be found in the Statement of Corporate Governance on page 44. In light of the nature of the Company's business, there are no relevant human rights issues and, therefore, the Company does not have a human rights policy.

### Auditor

The Company's Auditor is required to report if there are any material inconsistencies between the content of the Strategic Report and the Financial Statements. The Independent Auditor's Report can be found on pages 50 to 54.

### Future Strategy

The Board and Manager intend to maintain the policies set out above for the year ending 30 November 2017 as it is believed that these are in the best interests of Shareholders.

### Approval

The Business Report, and the Strategic Report as a whole, was approved by the Board of Directors and signed on its behalf by:

**Allister Langlands**  
Director

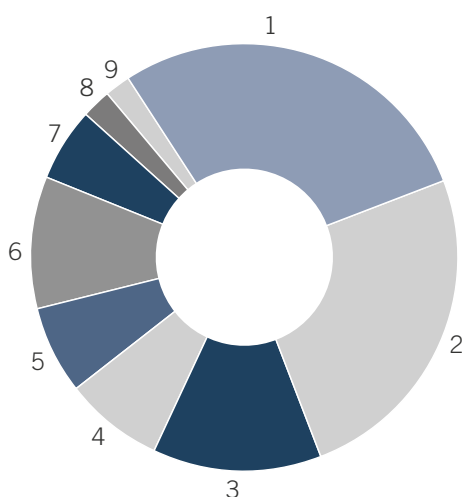
6 March 2017

# ANALYSIS OF UNLISTED AND QUOTED PORTFOLIO

As at 30 November 2016

Industrial sector	Unlisted valuation £'000	%	Quoted valuation £'000	%	Total valuation £'000	%
Software & computer services	498	1.9	4,660	17.9	5,158	19.8
Support services	2,789	10.7	1,631	6.2	4,420	16.9
Pharmaceuticals & biotechnology	1,249	4.8	1,000	3.8	2,249	8.6
Energy services	1,489	5.7	243	0.9	1,732	6.6
Telecommunication services	1,465	5.6	-	-	1,465	5.6
Investment companies	153	0.6	1,041	4.1	1,194	4.7
Technology	1,100	4.2	-	-	1,100	4.2
Health	840	3.2	217	0.8	1,057	4.0
Diversified industrials	929	3.6	-	-	929	3.6
Household goods & textiles	915	3.5	-	-	915	3.5
Engineering & machinery	638	2.4	181	0.7	819	3.1
Speciality & other finance	800	3.1	-	-	800	3.1
Electronic & electrical equipment	732	2.8	-	-	732	2.8
Insurance	603	2.3	-	-	603	2.3
Automobiles & parts	483	1.9	29	0.1	512	2.0
Chemicals	-	-	458	1.8	458	1.8
Construction & building materials	447	1.7	-	-	447	1.7
Information technology hardware	-	-	328	1.3	328	1.3
General retailers	286	1.1	34	0.1	320	1.2
Food producers & processors	300	1.1	-	-	300	1.1
Media & entertainment	-	-	236	0.9	236	0.9
Leisure & hotels	224	0.9	-	-	224	0.9
Aerospace & defence	-	-	43	0.2	43	0.2
Mining	-	-	36	0.1	36	0.1
<b>Total</b>	<b>15,940</b>	<b>61.1</b>	<b>10,137</b>	<b>38.9</b>	<b>26,077</b>	<b>100.0</b>

## Valuation by Industry Group



1. Industrials
2. Non financial
3. Healthcare
4. Consumer goods
5. Energy services
6. Financials
7. Telecommunications
8. Consumer services
9. Basic materials

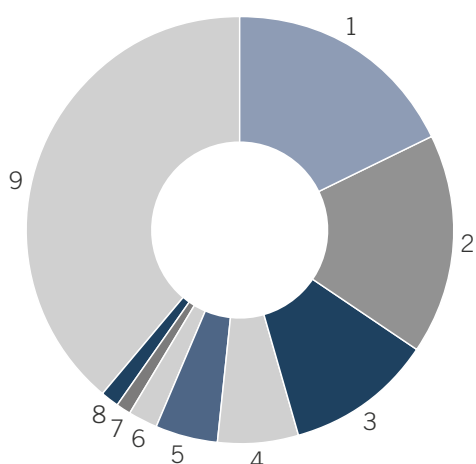


# ANALYSIS OF UNLISTED AND QUOTED PORTFOLIO (CONTINUED)

As at 30 November 2016

Deal type	Number	Valuation £'000	%
<b>Unlisted</b>			
Acquisition finance	10	4,700	18.0
Management buy-out	9	4,309	16.5
Replacement capital	5	2,900	11.1
Development capital	7	1,635	6.3
Buy-in/management buy-out	3	1,221	4.7
Management buy-in	1	521	2.0
Legacy unlisted investments	5	351	1.3
Buy & build	1	303	1.2
Mezzanine	1	-	-
<b>Total unlisted</b>	<b>42</b>	<b>15,940</b>	<b>61.1</b>
<b>Quoted</b>			
AIM	42	9,096	34.9
Listed	11	1,041	4.0
<b>Total quoted</b>	<b>53</b>	<b>10,137</b>	<b>38.9</b>
<b>Total unlisted and quoted</b>	<b>95</b>	<b>26,077</b>	<b>100.0</b>

## Valuation by Deal Type



1. Acquisition finance
2. Management buy-out
3. Replacement capital
4. Development capital
5. Buy-in/management buy-out
6. Management buy-in
7. Legacy unlisted investments
8. Buy & build
9. Quoted

# INVESTMENT MANAGER'S REVIEW



**Bill Nixon**  
Managing Partner  
Maven Capital Partners UK LLP

## Overview

**In the year to 30 November 2016, NAV total return increased to 71.67p, representing another year of progress for your Company. During the period, notable success has been achieved through the profitable realisation of a number of the more mature portfolio assets with a further £1.65 million delivered through AIM disposals. In addition, your Company completed four new private equity investments, with a further two completions post the period end. This encouraging performance leaves your Company well-positioned and with sufficient liquidity to maintain an active investment policy.**

During the reporting period, the Manager focused on continuing to deliver your Company's investment objective in line with the provisions of the new VCT rules. These rules have introduced a number of restrictions on the types of companies and transactions in which VCTs can invest, with an emphasis on providing development capital, or supporting businesses with growth finance requirements.

Over the course of the year, the investment team has reviewed and assessed an extensive pipeline of potential opportunities, progressing only those prospects that meet Maven's strict internal investment criteria. The focus has been on identifying opportunities that are available at an attractive entry price or that can display a disruptive business model capable of scalable growth. Where possible, Maven is keen to support management teams with a proven track record of success in a previous business.

The Manager is pleased to report on the completion of four new investments in companies across a range of sectors. In April 2016, an investment was completed in **The GP Service (UK)**, a business with an innovative on-line interface which provides access to GP appointments delivered by a live video link. In July 2016, an investment was completed in **Rockar**, a revolutionary automotive retail platform, and in October 2016, Maven VCTs invested in **Chic Lifestyle**, a fast growing inventory management system for small luxury accommodation operators in the premium travel market. In November 2016, an investment was completed in **Growth Capital Ventures**, a developer and operator of on-line co-investing platforms for the alternative finance sector. In addition, shortly after the period end, Maven VCTs invested in **Whiterock Group**, a specialist visual asset management business operating across a range of sectors, and **QikServe**, a business that has developed a patented software offering for the hospitality industry.

Maven is currently evaluating a number of potential new investments across a diverse range of sectors and it is anticipated that a number of these will complete in the first half of the current financial year. Given the complexity of the new VCT rules, and to ensure ongoing compliance, the investment team continues to work closely with VCT advisers in order to obtain advance assurance from HMRC prior to any investment being completed. Latterly, it has become apparent that the level of information required, and time taken to opine, by HMRC can vary significantly, which has delayed the completion of a number of new investments in the current reporting period. The Manager, therefore, welcomed the announcement that a consultation has been launched into the options to streamline the HMRC advance assurance process.

During the year, considerable progress has been achieved across the portfolio, despite the challenges presented by the enactment of the revised VCT legislation and the economic uncertainty resulting from the outcome of the EU referendum in June 2016. Maven maintains a supportive working relationship with investee management teams, offering practical assistance to help deliver strategic and operational objectives. This proactive approach helps to ensure stability across the portfolio with a view to maximising the value of assets up until the point of exit.

The Maven investment team has also worked closely with those portfolio companies that have been engaged in an exit process, helping management teams to develop appropriate strategies and identify suitable buyers that may be willing to pay a premium price for the business. It is encouraging to note that, although a number of successful exits completed during the period, there remains considerable interest in your Company's assets from a range of potential acquirers, including both trade and private equity in the UK and from overseas. However, there can be no guarantee that these discussions will lead to realisations.

Notable exits include **Westway Services Holdings**, which completed in December 2015 achieving a 3.6 times return, and **Dantec Hose**, which completed in February 2016 achieving a 2.1 times return. The cash generated from these sales has allowed your Company to build a strong liquidity position to support its investment strategy.

Maven received industry recognition in June for its performance when it was named *Private Equity House of the Year*, for the second year running, at the 2016 High Potential Business Awards (previously the M&A Awards). This category celebrates outstanding growth businesses and their financial backers, recognising private equity managers that have displayed the keenest judgement and opportunism in completing acquisitions or exit transactions. Maven was also named *Private Equity Manager of the Year* at the ACQ Global Awards which celebrate achievement and innovation across the fund management industry.

## Portfolio Developments

### Private Company Holdings

The private equity portfolio has generally performed well during the year, as detailed below, with strong trading results having led to valuation uplifts for a number of companies operating across a range of sectors. Conversely, the Board has elected to take protective provisions against the values of a number of investments with exposure to the oil & gas sector, until there is evidence of a sustained recovery.

**Cursor Controls**, a global leader in the design and niche manufacture of trackball pointing solutions for industrial applications, has performed well since Maven clients invested in July 2015. The impressive organic growth achieved in the year to 31 December 2015 has been sustained throughout the current year and further enhanced by the acquisition, in April 2016, of Belgian distributor NSI. This acquisition was identified as part of Maven's investment proposal and is expected to be significantly earnings enhancing, with a number of commercial and operational synergies identified to help drive growth and profitability of the enlarged group. The management team are encouraged by the integration process to date, with NSI trading to plan and the core Cursor business delivering organic growth.

**Crawford Scientific**, a leading supplier of chromatography products and services, has traded ahead of plan since the initial investment by Maven clients in August 2014. During 2015, the business acquired, and successfully, integrated analytical services company Hall Analytical Laboratories which, alongside strong trading within the core business, has contributed to out-performance against the original investment case. The business has fully repaid the debt used to fund the Hall acquisition and the management team is continuing to widen each of Crawford's product and service lines, with organic growth forecast to increase both turnover and earnings in the current year. The strong balance sheet and cash generative nature of the business enabled the company to make a voluntary partial repayment of Maven client loan notes during the period.

**DPP** provides mechanical and electrical maintenance and installation services mainly to the leisure, hospitality and retail sectors in the south of England and Wales. The company differentiates itself by employing a large and highly responsive team of skilled engineers. The business has made considerable progress over the past twelve months by enhancing operational procedures and reducing costs which has led to a significant improvement in profitability. A number of new contracts were secured during the year and the outlook is positive, which is highly encouraging given the challenges experienced during 2014 when the company lost a key customer. DPP has no external bank debt and was able to make a voluntary, partial repayment of Maven client loan notes during the period.

The UK's largest provider of promotional merchandise, **SPS (EU)**, has achieved excellent growth under private equity ownership since Maven clients invested in February 2014. Operational improvements have enhanced profitability following the successful implementation of a new enterprise resource planning system. The complementary acquisitions of HPP and TEC, completed in the year to 31 December 2015, have been successfully integrated within the group and are delivering a positive profit contribution. The company has invested in European sales resource, which is starting to contribute significant amounts to group revenue. The balance sheet remains healthy and the business continues to reduce core term debt.

**Vodat Communications Group** is a leading supplier of communications infrastructure to the UK retail industry, with customers including high street names such as Poundland, Welcome Break, Ted Baker and Supergroup. Vodat supplies data networks, IP telephony, wi-fi solutions and fixed line connectivity to retail customers. Following the Maven led management buy-out of the company in 2012, the business has achieved positive growth and added a number of new customer contracts. Vodat benefits from high levels of contracted revenue, which underpins future growth, and is highly cash generative with no external bank debt.

International catalyst handling specialist, **CatTech International** is currently trading very strongly, and is forecast to deliver record profit levels for the period ended 31 December 2016. Whilst the improvement in performance is largely attributed to three sizeable projects in Kazakhstan, Iran and Venezuela that are unlikely to recur, the underlying profitability of the business has seen a significant turnaround from the performance of the previous two years. The outlook remains positive with a number of tenders currently progressing. There is no bank debt in the business and its cash position is strong.

As well as reflecting the good trading performance highlighted above, your Board has also reduced the valuations of **Glacier Energy Services** and **HCS Control Systems Group**. These companies are active in the energy services sector, which has endured several years of difficult market conditions. Encouragingly, Maven has seen signs of improved activity across the industry as a whole in recent months, nevertheless, a conservative approach to valuations has been adopted until there is evidence of a sustained recovery.

The Manager has continued to work closely with the portfolio companies that have exposure to the oil & gas market, including providing help to penetrate new markets and win additional customers, whilst working with management to reduce costs against a backdrop of lower activity levels. Most of the portfolio companies in this sector are now operating with a lean cost base and limited or no external debt, consequently they are well-placed to benefit from any market recovery.

Maven has avoided investing in exploration or production based assets, preferring those businesses focused on operational expenditure, particularly relating to essential health and safety, where a recovery in activity is often much less sensitive to the oil price. During 2017, it is anticipated that there will be an improvement in this sub-sector of the industry as previously deferred expenditure is deployed, as the oil majors adjust to the improving market conditions.

In addition, provisions have been taken against the investments in **D Mack** and **Traceall Global**.

#### Quoted Holdings

In the year to 30 April 2016, **Ideagen** reported record results showing a significant uplift in both revenue and profit over the previous year. Growth was principally driven by the seven acquisitions completed in recent years which have considerably strengthened the product offering and opened up new market opportunities. Recurring revenue now represents 53% of core revenue and covers 84% of the fixed overhead base. Customer retention remains high at 96% and a number of new contracts have been secured with higher average lifetime values than in previous years. Cash generation continues to be strong with £6.3 million in net cash as at the period end, after paying deferred consideration and dividends totalling £2.0 million.

The year to 31 May 2016 was one of transition for **Avingtrans** as it repositioned itself as an energy and medical focused business following the disposal of the aerospace division. The disposal returned £52 million to the company which was used to pay down existing debt, finance growth in the remaining business and provide a return to shareholders by way of a tender offer. The core business performed in line with management expectations in the year, reporting an 18% increase in adjusted EBITDA to £0.4 million. Post the period end the company secured a number of new contracts which supports the decision to specialise in the energy and medical sector.

**Synectics** delivered a sustained improvement in performance in the six months ended 31 May 2016, generating revenue of £32.1 million and reporting a profit before tax of £0.2 million. Performance was assisted by the rationalisation of the cost base, which was completed in the previous period. The company secured significant new business during the period which underpins expectations of a strong out-turn for the full year, with revenues expected to be £71.0 million, and cash of £2.0 million at the year end.

In the year to 30 June 2016, **K3** delivered a solid set of results. Revenues increased 7% to £89.2 million with profit up 17% to £4.5 million. The period end cash position was significantly improved at £2.8 million, with net debt 26% lower at £12.1 million. New orders were strong in the year at £35.5 million, up 66% on last year and included a major contract win for the “ax is fashion” solution. The company continues to strengthen its relationship with Microsoft and is now a member of Microsoft Dynamics ‘Inner Circle’. This is a meaningful endorsement from Microsoft and should help K3 leverage the relationship further in terms of both support and sales. During the period, the company acquired Retail Support International ApS which will further strengthen the groups’ fashion offering.

In the year to 31 July 2016, **Plant Impact** reported a 60% increase in turnover to £7.2 million. The continued growth in revenue was predominantly due to sales of Veritas in the Brazilian soy market for its third commercial season, coupled with the first sales of Banzai in West Africa. The company continues to make encouraging strategic, operational and financial progress, which should leave it well-placed to capitalise on a number of future opportunities to drive growth.

There have been a number of corporate actions during the year, with several portfolio companies receiving takeover approaches or making acquisitions. **Jelf Group** was subject to a recommended offer which completed in December 2015 and the holding in **Tangent Communications** was realised in full following a recommended cash offer. In addition, following a tender offer, Maven elected to realise fully the holding in **Blanco Technology Group** (formerly known as Regeneris PLC).

A number of portfolio companies have completed acquisitions during the reporting period, including **Ideagen**, **K3**, **Premier**, **Servoca**, **Vectura**, **Vertu** and **Water Intelligence**.

#### New Investments

During the year, your Company provided development capital to four private companies operating across a range of sectors:

- **The GP Service (UK)**, a provider of on-line services for general medical consultations and prescriptions, delivered through a web-based interface. The investment will enable The GP Service to accelerate the roll-out of its service across new geographic locations and to develop a range of products and services where there are strong market drivers.
- **Rockar**, an innovative motor retailer with a disruptive technology platform led by a team with extensive sector experience. The investment will enable Rockar to enhance its product offering and finance new dealerships in high footfall shopping centres, working in partnership with global automotive brands including Hyundai and Jaguar Land Rover. Maven VCTs invested in Rockar alongside NVM Private Equity.
- **Chic Lifestyle**, an inventory management system for the travel market, trading under the brand Chic Retreats, allows small-scale independent operators to control the live distribution of boutique hotel rooms and luxury villas, and manage reservations in real time through leading traffic generators. The investment will enable Chic to further develop its technology in order to strengthen its position within core European and North American markets as well as helping expansion into new territories.
- **Growth Capital Ventures**, a developer and provider of on-line platforms that connect businesses seeking finance with individuals who have capital to invest. The investment will enable the business to accelerate its growth plans by investing in technology to achieve scalable growth in this expanding market.

The March 2016 Budget Statement imposed restrictions on the ability of VCTs to make certain new non-qualifying investments for liquidity purposes, including treasury bills and other government securities. In response to these changes, the Directors agreed to invest a total of £1,033,000 across five private equity investment trusts (PEITs) and six real estate investment trusts (REITs). These investments completed prior to the year end and are permitted investments under the amended legislation, and give your Company further exposure to asset classes that the Manager is familiar with, having existing knowledge of the respective portfolios and fund managers.

The investments have been carefully selected and recommended by Maven and have income characteristics that should help to support future dividend payments by your Company.

The Board and the Manager are highly cognisant of the importance of maintaining an effective liquidity management policy and are currently reviewing a range of other permitted income generating options with a view to maximising the returns from monies held prior to investment.

The following investments have been completed during the period:

Investment	Date	Sector	Investment cost £'000	Website
<b>Unlisted</b>				
Chic Lifestyle Limited (trading as Chic Retreats)	October 2016	Leisure & hotels	224	www.chicretreats.com
Growth Capital Ventures Limited	November 2016	Investment companies	144	www.growthcapitalventures.co.uk
The GP Service (UK) Limited	April 2016	Health	498	www.thegpservice.co.uk
Rockar 2016 Limited (trading as Rockar)	July 2016	Automobiles & parts	483	www.rockar.com
<b>Total unlisted</b>			<b>1,349</b>	
<b>Private equity investment trusts</b>				
Apax Global Alpha Limited	September 2016	Investment companies	99	www.apaxglobalalpha.com
F&C Private Equity Investment Trust PLC	September 2016	Investment companies	103	www.fandc.com
HG Capital Trust PLC	September 2016	Investment companies	100	www.hgcapitaltrust.com
Princess Private Equity Holding Limited	September 2016	Investment companies	98	www.princess-privateequity.net
Standard Life Private Equity Trust PLC	September 2016	Investment companies	40	www.slcapital.com
<b>Total private equity investment trusts</b>			<b>440</b>	
<b>Real estate investment trusts</b>				
British Land Company PLC	November 2016	Investment companies	99	www.britishland.com
Custodian REIT PLC	November 2016	Investment companies	99	www.custodianreit.com
Regional REIT Limited	November 2016	Investment companies	99	www.regionalreit.com
Schroder REIT Limited	November 2016	Investment companies	99	www.srei.co.uk
Standard Life Investment Property Income Trust Limited	November 2016	Investment companies	99	www.standardlifeinvestments.com
Target Healthcare REIT PLC	November 2016	Investment companies	98	www.targethealthcarereit.co.uk
<b>Total real estate investment trusts</b>			<b>593</b>	
<b>UK treasury bills<sup>1</sup></b>				
Treasury Bill 21 March 2016	December 2015	UK government	2,447	
Treasury Bill 20 June 2016	December 2015	UK government	2,444	
Treasury Bill 12 September 2016	March 2016	UK government	3,393	
<b>Total UK treasury bills investment</b>			<b>8,284</b>	
<b>Total investment</b>			<b>10,666</b>	

<sup>1</sup>Purchased prior to the change in liquidity management rules on 6 April 2016.

Your Company has co-invested in some or all of the above transactions with Maven Income and Growth VCT, Maven Income and Growth VCT 2, Maven Income and Growth VCT 3, Maven Income and Growth VCT 4, Maven Income and Growth VCT 6 and Maven Investor Partners. At the period end, the portfolio stood at 95 unlisted and quoted investments at a total cost of £31.62 million.

## Realisations

A number of profitable realisations were achieved during the period. In December 2015, **Westway Services Holdings** was sold to ABM LLC, a NASDAQ listed provider of a wide range of facility solutions, achieving a 3.6 times total return over the period of investment for your Company. In 2011, Maven VCTs funded the management buy-out of **Dantec Hose**, a global manufacturer of flexible composite hoses for bespoke petrochemical, marine and industrial applications. Throughout the period of investment, Maven supported the business in implementing a number of significant financial and operational improvements which resulted in geographical and sectoral expansion of the customer base. An offer for the business was received from a German trade buyer and the sale completed in February 2016 achieving a 2.1 times total return over the investment period.

Further realisations have been achieved through the partial repayment of loan notes by **Crawford Scientific** and **DPP**, the refinancing of **Maven Capital (Llandudno)** and full exits achieved from **Kelvinlea** and **Maven Capital (Claremont House)**.

In line with the strategy of reducing exposure to AIM, full exits were achieved from **Blancco Technology Group**, **Jelf Group**, **Software Radio Technology** and **Tangent Communications** as well as partial realisations of a number of other holdings.

As at the date of this Annual Report, the Manager is engaged with several investee companies and prospective acquirers at various stages of potential exits. This realisation activity reflects the increasing maturity of a number of holdings, but it should be noted that there can be no certainty that these discussions will lead to profitable sales.

The table below gives details of all realisations during the reporting period:

	Year first invested	Complete/partial exit	Cost of shares disposed of £'000	Value at 30 November 2015 £'000	Sales proceeds £'000	Realised gain/(loss) £'000	Gain/(loss) over 30 November 2015 value £'000
<b>Unlisted</b>							
Crawford Scientific Holdings Limited <sup>1</sup>	2014	Partial	126	157	126	-	(31)
Ensco 969 Limited (trading as DPP) <sup>1</sup>	2013	Partial	43	43	43	-	-
Kelvinlea Limited	2013	Complete	40	40	53	13	13
LCL Hose Limited (trading as Dantec Hose) <sup>1</sup>	2011	Complete	199	199	307	108	108
Martel Instruments Holdings Limited	2007	Partial	53	53	53	-	-
Maven Capital (Claremont House) Limited	2013	Complete	4	75	120	116	45
Maven Capital (Llandudno) LLP	2013	Complete	288	288	288	-	-
Maven Co-invest Exodus Limited Partnership and Tosca Penta Exodus Mezzanine Limited Partnership (invested in Six Degrees Group)	2011	Complete	-	-	3	3	3
Westway Services Holdings (2014) Limited <sup>1</sup>	2014	Complete	347	1,097	1,144	797	47
<b>Total unlisted disposals</b>			<b>1,100</b>	<b>1,952</b>	<b>2,137</b>	<b>1,037</b>	<b>185</b>
<b>Quoted</b>							
Avingtrans PLC	2004	Partial	68	140	228	160	88
Blancco Technology Group PLC (formerly Regeneris PLC)	2010	Complete	24	93	120	96	27
Ideagen PLC	2005	Partial	21	146	158	137	12
Jelf Group PLC	2006	Complete	490	970	970	480	-
Netcall PLC	1999	Partial	2	13	13	11	-
Software Radio Technology PLC	2006	Complete	27	18	37	10	19
Tangent Communications PLC	2007	Complete	400	54	123	(277)	69
Vectura Group PLC	2001	Partial	1	2	2	1	-
<b>Total quoted disposals</b>			<b>1,033</b>	<b>1,436</b>	<b>1,651</b>	<b>618</b>	<b>215</b>



	Year first invested	Complete/partial exit	Cost of shares disposed of £'000	Value at 30 November 2015 £'000	Sales proceeds £'000	Realised gain/(loss) £'000	Gain/(loss) over 30 November 2015 value £'000
<b>UK treasury bills</b>							
Treasury Bill 14 December 2015	2014	Complete	1,998	2,000	2,000	2	-
Treasury Bill 14 March 2016	2014	Complete	1,297	1,298	1,300	3	2
Treasury Bill 21 March 2016 <sup>2</sup>	2015	Complete	2,447	N/A	2,450	3	N/A
Treasury Bill 20 June 2016 <sup>2</sup>	2015	Complete	2,444	N/A	2,450	6	N/A
Treasury Bill 12 September 2016 <sup>2</sup>	2016	Complete	3,393	N/A	3,400	7	N/A
<b>Total UK treasury bills disposals</b>			<b>11,579</b>	<b>3,298</b>	<b>11,600</b>	<b>21</b>	<b>2</b>
<b>Total disposals</b>			<b>13,712</b>	<b>6,686</b>	<b>15,388</b>	<b>1,676</b>	<b>402</b>

<sup>1</sup>Proceeds exclude yield and redemption premiums received, which are disclosed as revenue for financial reporting purposes.

<sup>2</sup>Holding acquired and realised during the period.

The table above includes the redemption of loan notes by a number of investee companies.

Two unlisted investments and two AIM companies were struck off the Register of Companies during the year, resulting in realised losses of £489,000 (cost £489,000). This had no effect on the NAV of the Company as a full provision had been made against the value of each holding in earlier periods.

### Material Developments Since the Period End

In December 2016, your Company completed a further two new qualifying investments in **Whiterock Group** and **QikServe**.

Whiterock is a provider of innovative 360° visualisation techniques that enable clients to navigate every detail of hard-to-access assets and facilities, such as oil rigs, nuclear reactors and government buildings, through a cloud-based application. The investment will enable the company to roll-out the software offering and provide additional capacity to deliver on its strong pipeline of current opportunities.

QikServe has developed a patented software product aimed at multi-outlet hospitality operators including restaurants, hotels, and casinos enabling customers to order and pay for food and drinks, and participate in customer loyalty schemes, via an app on a smartphone device. QikServe is currently the only globally accredited mobile ordering system that is fully integrated with world leading electronic point of sale provider, Oracle Hospitality. The investment will enable the company to further develop the technology and expand into international markets, particularly the US, which is regarded as a key growth area.

### Outlook

The Manager is cautiously optimistic about the year ahead, notwithstanding the political and economic uncertainty surrounding the UK's intended exit from the EU, and the changes introduced through the enactment of the revised VCT legislation. The progress achieved by your Company during the reporting period demonstrates the strength and resilience of the investee company portfolio and its ability to sustain positive Shareholder returns. The Manager believes that the current pipeline of prospective new investments provide your Company with the opportunity to further broaden the portfolio, and expects a number of these transactions to complete in the first half of the current financial year, subject to receiving advance assurance from HMRC on a case by case basis.

The immediate investment strategy being applied by the Manager is to continue to expand the asset base of your Company by both size and sector through the utilisation of existing cash resources. This strategy will build a blended portfolio of investments in more established companies, completed prior to the legislation changes, along with a number of new investments in carefully selected younger companies capable of higher growth, with commensurately higher return potential. The Manager believes this approach to the development of the investee company portfolio will allow Shareholders to benefit from a balanced and diverse asset base capable of sustaining returns in the years ahead.

**Maven Capital Partners UK LLP**  
**Manager**

**6 March 2017**

## LARGEST INVESTMENTS BY VALUATION\*

As at 30 November 2016



### Ideagen PLC

Matlock  
www.ideagen.co.uk

**Other Maven clients invested:**  
Maven Income and Growth VCT 4

Cost (£'000)	320	
Valuation (£'000)	2,482	
Basis of valuation	Bid price	
Equity held	2.4%	
Market capitalisation (£million)	119.0	
Income received (£'000)	25	
First invested	May 2005	
Year ended	30 April	
	2016 (£'000)	2015 (£'000)
Sales	21,936	14,389
EDITDA <sup>1</sup>	6,300	4,000
Net assets	33,683	31,189

Ideagen provides quality, compliance, safety, risk and information management software to regulated industries including healthcare, banking and finance, transport, manufacturing and life science. The business has operations in the UK, the United States and the Middle East.



### Crawford Scientific Holdings Limited

Strathaven  
www.crawfordscientific.com

**Other Maven clients invested:**  
Maven Income and Growth VCT  
Maven Income and Growth VCT 3  
Maven Income and Growth VCT 4  
Maven Income and Growth VCT 6  
Maven Investor Partners

Cost (£'000)	571	
Valuation (£'000)	1,249	
Basis of valuation	Earnings	
Equity held	8.2%	
Income received (£'000)	155	
First invested	August 2014	
Year ended	30 September	
		2015 <sup>2</sup> (£'000)
Sales		14,751
EBITDA <sup>1</sup>		2,770
Net assets/(liabilities)		2,965

Crawford Scientific provides chromatography consumables, instrument parts and technical services to a wide range of sectors including pharmaceuticals and energy services and supplies laboratories across the UK, mainland Europe and the US. Crawford has built up an excellent reputation for its technical expertise, offering a range of value-add technical support services which includes training, e-learning, analytical services, IT solutions and consultancy. The business also provides complementary and highly valuable analytical and laboratory testing services following the acquisition of Hall Analytical Services in December 2014.

\*Excluding four acquisition vehicles in the portfolio at 30 November 2016.



Cost (£'000)	696	
Valuation (£'000)	915	
Basis of valuation	Earnings	
Equity held	7.7%	
Income received (£'000)	114	
First invested	June 2014	
Year ended	31 October	
	2015 (£'000)	2014 <sup>3</sup> (£'000)
Sales	11,587	4,216
EBITDA <sup>1</sup>	1,019	662
Net assets	3,238	3,098

Just Trays is the UK's leading manufacturer of shower trays and related accessories with product design, development and production undertaken at its main facility in Leeds. The business sells its range of products direct to trade partners in the construction and housing market and has a reputation in the sector for the quality of its products, innovative design and customer service, with high levels of customer loyalty for the JT brand.

Cost (£'000)	486	
Valuation (£'000)	745	
Basis of valuation	Earnings	
Equity held	4.0%	
Income received (£'000)	98	
First invested	February 2014	
Year ended	31 December	
	2015 (£'000)	2014 <sup>4</sup> (£'000)
Sales	21,995	16,731
EBITDA <sup>1</sup>	2,302	1,864
Net assets	2,188	1,878

SPS is a market leading supplier in the promotional merchandise market and operates out of a modern 90,000 ft<sup>2</sup> site with manufacturing, branding and storage facilities. The business focuses on new product development, innovative product sourcing, investment in branding technology and a clear commitment to operational and service excellence. SPS is now the UK's largest provider of promotional merchandise, supplying to more than 2,000 independent distributors in the UK and Europe.



### JT Holdings (UK) Limited

(trading as Just Trays)

Leeds

[www.just-trays.com](http://www.just-trays.com)

#### Other Maven clients invested:

Maven Income and Growth VCT  
Maven Income and Growth VCT 2  
Maven Income and Growth VCT 3  
Maven Income and Growth VCT 4  
Maven Income and Growth VCT 6



### SPS (EU) Limited

Blackpool

[www.spseu.com](http://www.spseu.com)

#### Other Maven clients invested:

Maven Income and Growth VCT  
Maven Income and Growth VCT 2  
Maven Income and Growth VCT 3  
Maven Income and Growth VCT 4  
Maven Income and Growth VCT 6  
Maven Investor Partners



### Servoca PLC

London  
www.servoca.com

#### Other Maven clients invested:

None

Cost (£'000)	612	
Valuation (£'000)	723	
Basis of valuation	Bid price	
Equity held	2.9%	
Market capitalisation (£million)	24.8	
Income received (£'000)	11	
First invested	May 2007	
Year ended	30 September	
	2015 (£'000)	2014 (£'000)
Sales	58,778	48,989
EBITDA <sup>1</sup>	3,100	1,800
Net assets	11,964	9,741

Servoca is a leading provider of specialist recruitment and outsourced services to clients both in the public and private sectors. The business operates across five primary markets - education, healthcare, homecare, security and criminal justice sectors.



### Glacier Energy Services Holdings Limited

Aberdeen  
www.glacier.co.uk

#### Other Maven clients invested:

Maven Income and Growth VCT  
Maven Income and Growth VCT 2  
Maven Income and Growth VCT 3  
Maven Income and Growth VCT 4  
Maven Income and Growth VCT 6  
Maven Investor Partners

Cost (£'000)	643	
Valuation (£'000)	643	
Basis of valuation	Earnings	
Equity held	2.5%	
Income received (£'000)	133	
First invested	March 2011	
Year ended	31 March	
	2016 (£'000)	2015 (£'000)
Sales	22,692	25,949
EBITDA <sup>1</sup>	1,109	2,609
Net assets	(3,824)	735

Glacier provides specialist services for energy infrastructure: on-site machining; well overlay for pressure control equipment; non-destructive testing; and heat transfer equipment repair and refurbishment. Glacier has a strong international presence in key energy markets, including the North Sea, the Middle East and West Africa, and focuses on developing products in the areas of production and processing equipment, intervention and pipeline components.

Cost (£'000)	238	
Valuation (£'000)	638	
Basis of valuation	Bid price	
Equity held	0.6%	
Market capitalisation (£million)	111.2	
Income received (£'000)	22	
First invested	September 2005	
Year ended	30 June	
	2016 (£'000)	2015 (£'000)
Sales	89,175	83,427
EBITDA <sup>1</sup>	9,500	8,150
Net assets	73,410	53,495

K3 is a leading global supplier of integrated business systems to retailers, manufacturers and distributors. The business is one of the UK's leading suppliers of Microsoft based business solutions. The company supplies, installs and supports business planning and management software, principally in the retail, manufacturing and distribution sectors to over 3,000 customers across 20 countries.

Cost (£'000)	593	
Valuation (£'000)	593	
Basis of valuation	Earnings	
Equity held	6.7%	
Income received (£'000)	28	
First invested	December 2014	
Year ended	31 December	
		2015 (£'000)
Sales		4,838
EBITDA <sup>1</sup>		119
Net assets		1,799

Fathom provides niche solutions and products to the commercial diving, remotely operated vehicles and underwater engineering sectors. The company has developed an extensive range of high-quality engineered products and systems for a global blue-chip client base. The diving control systems which Fathom develops are critical to subsea processes and due to the high safety standards and reliability of its products, they are widely used across the diving industry.



**K3 Business Technology Group Plc**  
Manchester  
[www.k3btg.com](http://www.k3btg.com)

**Other Maven clients invested:**  
None



**Fathom Systems Group Limited**  
Portlethen  
[www.fathomsystems.co.uk](http://www.fathomsystems.co.uk)

**Other Maven clients invested:**  
Maven Income and Growth VCT  
Maven Income and Growth VCT 2  
Maven Income and Growth VCT 3  
Maven Income and Growth VCT 4  
Maven Income and Growth VCT 6  
Maven Investor Partners



### Ensco 969 Limited

(trading as DPP)  
Southampton  
www.dpp.ltd.uk

#### Other Maven clients invested:

Maven Income and Growth VCT  
Maven Income and Growth VCT 2  
Maven Income and Growth VCT 3  
Maven Income and Growth VCT 4  
Maven Income and Growth VCT 6  
Maven Investor Partners



### CB Technology

### CB Technology Group Limited

Livingston  
www.cbtechnology.co.uk

#### Other Maven clients invested:

Maven Income and Growth VCT  
Maven Income and Growth VCT 2  
Maven Income and Growth VCT 3  
Maven Income and Growth VCT 4  
Maven Income and Growth VCT 6  
Maven Investor Partners

Cost (£'000)	548	
Valuation (£'000)	548	
Basis of valuation	Earnings	
Equity held	2.2%	
Income received (£'000)	119	
First invested	March 2013	
Year ended	31 October	
	2016 (£'000)	2015 (£'000)
Sales	9,289	8,461
EBITDA <sup>1</sup>	796	351
Net assets	2,090	2,531

DPP provides planned and reactive maintenance to the leisure, hospitality and retail sectors in the South of England and Wales. The business has grown from being a heating contractor into a service provider across the mechanical, electrical, HVAC and ventilation sectors, providing maintenance services under medium term contracts alongside project work for minor and major refurbishment programmes.

Cost (£'000)	521	
Valuation (£'000)	521	
Basis of valuation	Earnings	
Equity held	10.6%	
Income received (£'000)	67	
First invested	December 2014	
Year ended	31 March	
		2016 <sup>5</sup> (£'000)
Sales		3,138
EBITDA <sup>1</sup>		405
Net assets		544

CB Technology is an established contract electronics manufacturer with a focus on complex manufacturing and testing for deployment in harsh environments. The business predominantly assembles and tests high-end printed circuit boards for use throughout the industrial and semiconductor sectors. CB supplies a range of blue-chip customers with complex electronics that must function reliably under extremes of temperature, pressure and vibration.

<sup>1</sup> Earnings before interest, tax, depreciation and amortisation.

<sup>2</sup> For the period from 12 June 2014 to 30 September 2015.

<sup>3</sup> For the period from 19 June 2014 to 31 October 2014.

<sup>4</sup> For the period from 10 February 2014 to 27 December 2014.

Holding company acquired the trading company part way through the year.

<sup>5</sup> For the period 13 October 2014 to 31 March 2016.

# NATIONAL PRESENCE | REGIONAL FOCUS



● Maven offices

▲ Ten largest investments

# INVESTMENT PORTFOLIO SUMMARY

As at 30 November 2016

Investment	Valuation £'000	Cost £'000	% of net assets	% of equity held	% of equity held by other clients <sup>1</sup>
<b>Unlisted</b>					
Crawford Scientific Holdings Limited	1,249	571	4.2	8.2	40.0
JT Holdings (UK) Limited (trading as Just Trays)	915	696	3.0	7.7	22.3
Majenta Logistics Limited	800	800	2.7	10.6	39.2
Metropol Communications Limited	800	800	2.7	10.6	39.2
Onyx Logistics Limited	800	800	2.7	10.6	39.2
Vectis Technology Limited	800	800	2.7	10.6	39.2
SPS (EU) Limited	745	486	2.5	4.0	38.5
Glacier Energy Services Holdings Limited	643	643	2.1	2.5	25.2
Fathom Systems Group Limited	593	593	2.0	6.7	53.3
Ensco 969 Limited (trading as DPP)	548	548	1.8	2.2	32.3
CB Technology Group Limited	521	521	1.7	10.6	68.3
Flow UK Holdings Limited	498	498	1.7	6.0	29.0
The GP Service (UK) Limited	498	498	1.7	6.2	26.3
Rockar 2016 Limited (trading as Rockar)	483	483	1.6	2.7	11.1
CatTech International Limited	468	299	1.6	2.9	27.2
Lambert Contracts Holdings Limited	447	447	1.5	6.7	58.0
Vodat Communications Group Limited	365	264	1.2	3.1	38.7
Cambridge Sensors Limited	342	1,184	1.1	13.4	-
Castlegate 737 Limited (trading as Cursor Controls)	338	274	1.1	2.8	44.7
GEV Holdings Limited	336	336	1.1	2.1	33.9
RMEC Group Limited	308	308	1.0	2.0	48.1
Maven Co-invest Endeavour Limited Partnership (invested in Global Risk Partners)	303	303	1.0	6.6	93.4
Assecurare Limited	300	300	1.0	6.0	43.8
Broadwave Engineering Limited	300	300	1.0	6.0	43.8
Constant Progress Limited	300	300	1.0	5.9	43.9
Equator Capital Limited	300	300	1.0	5.9	43.9
Toward Technology Limited	300	300	1.0	5.9	43.9
Endura Limited	286	286	1.0	0.8	5.0
HCS Control Systems Group Limited	269	373	0.9	3.0	33.5
R&M Engineering Group Limited	268	357	0.9	4.0	66.6
Chic Lifestyle Limited (trading as Chic Retreats)	224	224	0.7	6.7	40.1
Martel Instruments Holdings Limited	211	211	0.7	-	44.3
ISN Solutions Group Limited	159	250	0.5	3.6	51.4
Growth Capital Ventures Limited	144	144	0.5	4.0	18.6
Space Student Living Limited	70	-	0.2	5.6	74.5
Other unlisted investments	9	1,973	-		
<b>Total unlisted</b>	<b>15,940</b>	<b>17,470</b>	<b>53.1</b>		

# INVESTMENT PORTFOLIO SUMMARY (CONTINUED)

As at 30 November 2016

Investment	Valuation £'000	Cost £'000	% of net assets	% of equity held	% of equity held by other clients <sup>1</sup>
<b>Quoted</b>					
Ideagen PLC (formerly Datum International PLC)	2,482	320	8.4	2.4	0.3
Servoca PLC	723	612	2.4	2.9	-
K3 Business Technology Group PLC	638	238	2.1	0.6	-
Plant Impact PLC	458	156	1.5	1.3	-
Vectura Group PLC	449	153	1.5	-	-
Bond International Software PLC	442	188	1.5	0.9	-
Water Intelligence PLC	426	344	1.4	4.8	-
Sinclair Pharma PLC (formerly IS Pharma PLC)	388	405	1.3	0.2	-
Access Intelligence PLC	332	362	1.1	2.6	-
Concurrent Technologies PLC	328	175	1.1	0.7	-
Vianet Group PLC (formerly Brulines Group PLC)	306	405	1.0	1.2	0.3
ClearStar Inc	267	435	0.9	2.1	-
Synectics PLC (formerly Quadnetics Group PLC)	258	308	0.9	0.8	-
Sprue Aegis PLC	224	35	0.7	0.3	-
Dods Group PLC	197	450	0.7	0.4	-
Netcall PLC	193	26	0.6	0.2	-
Avingtrans PLC	168	54	0.6	0.3	-
Anpario PLC (formerly Kiotech International PLC)	149	69	0.5	0.3	-
Omega Diagnostics Group PLC	117	130	0.4	0.6	-
EKF Diagnostics Holdings PLC	97	85	0.3	0.1	-
Amerisur Resources PLC	86	53	0.3	-	-
Egdon Resources PLC	83	48	0.3	0.3	-
Croma Security Solutions Group PLC	43	433	0.1	1.0	-
MBL Group PLC	39	357	0.1	1.4	-
Peninsular Gold Limited	36	300	0.1	0.7	-
IGas Energy PLC	34	184	0.1	0.1	-
Vertu Motors PLC	34	50	0.1	-	-
Transense Technologies PLC	29	1,188	0.1	-	-
Premier Oil PLC	24	169	0.1	-	-
Infrastrata PLC	16	2,264	0.1	1.0	-
AorTech International PLC	14	229	-	1.3	-
Other quoted investments	16	2,888	-	-	-
<b>Total quoted</b>	<b>9,096</b>	<b>13,113</b>	<b>30.3</b>		

# INVESTMENT PORTFOLIO SUMMARY (CONTINUED)

As at 30 November 2016

Investment	Valuation £'000	Cost £'000	% of net assets	% of equity held	% of equity held by other clients <sup>1</sup>
<b>Private equity investment trusts</b>					
HG Capital Trust PLC	104	100	0.3	-	0.1
F&C Private Equity Investment Trust PLC	103	103	0.3	0.1	0.3
Apax Global Alpha Limited	101	99	0.3	-	0.1
Princess Private Equity Holding Limited	98	98	0.5	-	0.1
Standard Life Private Equity Trust PLC	42	40	0.2	-	-
<b>Total private equity investment trusts</b>	<b>448</b>	<b>440</b>	<b>1.6</b>		
<b>Real estate investment trusts</b>					
Custodian REIT PLC	101	99	0.4	-	0.2
Regional REIT Limited	100	99	0.3	-	0.2
Schroder REIT Limited	100	99	0.3	-	0.2
Standard Life Investment Property Income Trust Limited	98	99	0.3	-	0.2
British Land Company PLC	97	99	0.3	-	-
Target Healthcare REIT PLC	97	98	0.3	-	0.2
<b>Total real estate investment trusts</b>	<b>593</b>	<b>593</b>	<b>1.9</b>		
<b>Total investments</b>	<b>26,077</b>	<b>31,616</b>	<b>86.9</b>		

<sup>1</sup>Other clients of Maven Capital Partners UK LLP.



# GOVERNANCE REPORT

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# DIRECTORS' REPORT

**The Directors submit their Annual Report together with the Financial Statements of the Company for the year ended 30 November 2016. A summary of the financial results for the year and the proposed final dividend can be found in the Financial Highlights on pages 5 and 6.**

## **Principal Activity and Status**

The Company's affairs have been conducted, and will continue to be conducted, in a manner to satisfy the conditions to enable it to continue to obtain approval as a venture capital trust under Section 274 of the Income Tax Act 2007.

During the period under review, the Company was a member of the AIC and its Ordinary Shares are listed on the London Stock Exchange. Further details are provided in the Corporate Summary on page 2.

## **Regulatory Status**

As a venture capital trust pursuant to Section 274 of the Income Tax Act 2007, the rules of the FCA in relation to non-mainstream investment products do not apply to the Company.

## **Going Concern**

The Company's business activities, together with the factors likely to affect its future development and performance, are set out in this Directors' Report. The financial position of the Company is described in the Chairman's Statement within the Strategic Report. In addition, Note 16 to the Financial Statements includes: the Company's objectives, policies and processes for managing its financial risks; details of its financial instruments; and its exposures to market price risk, interest rate risk, liquidity risk, credit risk and price risk sensitivity. The Directors believe that the Company is well-placed to manage its business risks.

Having made suitable enquiries, the Directors have a reasonable expectation that the Company has adequate financial resources to enable it to continue in operational existence for the foreseeable future and, accordingly, they have continued to adopt the going concern basis when preparing the Annual Report and Financial Statements.

## **Viability Statement**

In accordance with Provision C.2.2 of the UK Corporate Governance Code published in April 2016 and Principle 21 of the AIC Code of Corporate Governance published in July 2016, the Board has assessed the Company's prospects for the three-year period to 30 November 2019. This three-year period has been considered appropriate for a VCT business of its size when considering the principal risks facing the Company during the Board's annual strategy sessions.

In making this statement the Board carried out a robust assessment of the principal business risks facing the Company as set on pages 13 and 14 of the Business Report, including those that might threaten its business model, future performance, solvency, or degree of liquidity within the portfolio.

The Board considered the Company's ability to raise new funds and invest those proceeds. The Board's assessment also took account of the availability and likely effectiveness of the mitigating actions that could be taken to avoid or reduce the impact of the underlying risks, including the Manager adapting its investment process to take account of the more restrictive VCT rules.

The Board also focused on the major factors that affect the economic, regulatory and political environment, including the EU State Aid Rules.

The Board also considered the Company's cash flow projections and underlying assumptions for the next three years to 30 November 2019 and considers them to be realistic and fair.

Based on the Company's processes for monitoring income and expenses, share price discount, ongoing review of the investment objective and policy, asset allocation, sector weightings and portfolio risk profile, the Board has concluded that there is a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the three years ending 30 November 2019.

### Financial Instruments

The Company's financial instruments comprise its investment portfolio, cash balances and debtors and creditors that arise directly from its operations, including accrued income and purchases and sales awaiting settlement. The main risks that the Company faces arising from its financial instruments are disclosed in Note 16 to the Financial Statements.

### Global Greenhouse Gas Emissions

The Company has no greenhouse gas emissions to report from its operations, nor does it have responsibility for any other emission producing sources under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013.

The Directors who held office during the year and their interests in the share capital of the Company are as follows:

	<b>30 November 2016</b> Ordinary Shares of 10p each	<b>1 December 2015</b> Ordinary Shares of 10p each
Allister Langlands (Chairman)	695,465	695,465
Gordon Humphries	62,090	62,090
Charles Young	89,443	89,443
<b>Total</b>	<b>846,998</b>	<b>846,998</b>

All of the interests shown above are beneficial and there have been no further changes to the above share interests since the end of the Company's financial year.

### Conflicts of Interest

Each Director has a statutory duty to avoid a situation where he has, or could have, a direct or indirect interest which conflicts, or may conflict with the interests of the Company. A Director will not be in breach of that duty if the relevant matter has been authorised by the Board in accordance with the Company's Articles of Association and this includes any co-investment made by the Directors in entities in which the Company also has an interest.

The Board has approved a protocol for identifying and dealing with conflicts and has resolved to conduct a regular review of actual or possible conflicts. No new material conflicts or potential conflicts were identified during the year.

### Corporate Governance

The Statement of Corporate Governance, which forms part of this Directors' Report, is shown on pages 42 to 45.

### Directors

Biographies of the Directors who held office at the year end are shown in the Your Board section of this Annual Report along with their interests in the shares of the Company, which are also shown below. No Director has a service contract with the Company and no contract or arrangement significant to the Company's business and in which any of the Directors is interested has subsisted during the year.

As explained in more detail in the Statement of Corporate Governance, the Board has agreed that all Directors will retire annually and seek re-election. Accordingly, each Director will retire at the 2017 AGM and, being eligible, offer himself for re-election. The Board confirms that, following a formal process of evaluation, the performance of each of the Directors seeking re-election continues to be effective and demonstrates commitment to the role. The Board, therefore, believes that it is in the best interests of Shareholders that each Director wishing to retain office is re-elected and Resolutions to this effect will be proposed at the AGM.

### Substantial Interests

At 30 November 2016, the only persons known to the Company who, directly or indirectly, were interested in 3% or more of the Company's issued share capital were as follows:

	<b>Number of</b> Ordinary Shares held	<b>% of</b> issued share capital
Barclayshare Nominees	4,411,568	5.71
TCAM Nominees (No. 1)	3,482,805	4.51
Hargreaves Lansdown (Nominees)	2,997,165	3.88

At 3 March 2017, being the last practicable date prior to the publication of this Annual Report, the only persons known to the Company who, directly or indirectly, were interested in 3% or more of the Company's issued share capital were as follows:

	Number of Ordinary Shares held	% of issued share capital
Barclayshare Nominees	4,415,389	5.71
TCAM Nominees (No. 1)	3,482,805	4.51
Hargreaves Lansdown (Nominees)	3,030,440	3.92

### Manager and Secretary

Maven Capital Partners UK LLP (Maven) acted as Manager and Secretary to the Company during the year ended 30 November 2016 and details of the investment management and secretarial fees are detailed in Notes 3 and 4 to the Financial Statements respectively.

The principal terms of the Investment Management Agreement agreed with Maven are as follows:

#### Termination provisions

The agreement is capable of termination by the giving of twelve months' notice by either the Company or the Manager. Furthermore, the Company may terminate the agreement without compensation due if:

- a receiver, liquidator or administrator of the Manager is appointed;
- the Manager commits any material breach of the provisions of the agreement; or
- the Manager ceases to be authorised to carry out Investment Business.

#### Management and administration fees

Under the Investment Management Agreement, the payment of fees to the Manager will be made on the following terms:

- an investment management fee of 1.6% of total assets per annum, paid quarterly in arrears, and
- an annual administration fee of £78,000 payable quarterly in arrears and subject to an annual adjustment, calculated on 1 March each year, to reflect any change in the retail prices index.

#### Performance related incentive fee

As approved by Shareholders at the 2012 AGM, the Company has performance incentive arrangements that reward Maven for achieving positive returns on the legacy portfolio and realised capital gains on new investments. These entitle the Manager to receive:

- a sum equivalent to 12.5% of the total return over cost generated by each new private equity investment made by the Manager that achieves a realisation, adjusted for any realised losses incurred in respect of other new investments and subject to an annual hurdle of 4% on the new investments realised;
- a sum equivalent to 7.5% of the total return over cost generated by inherited private equity investments that achieve a realisation, adjusted for any realised losses incurred in respect of other inherited private company investments; and

- a sum equivalent to 7.5% of any annual increase in the value of the inherited quoted portfolio.

The base date for the valuation of the inherited investments was set at 28 February 2011 and the value for these portfolios is subsequently recalculated as at 30 November each year from 2012 onwards. In the case of the inherited quoted portfolio, a high watermark is re-set on each occasion that a fee becomes payable to ensure that subsequent fees can only be earned on performance improvements in excess of those achieved in previous periods.

Independent of the above arrangements, Maven may also receive, from investee companies, fees in relation to arranging transactions, monitoring of business progress and for providing non-executive directors for their boards.

In addition, in order to ensure that the Manager's staff are appropriately incentivised in relation to the management of the portfolio, a co-investment scheme allows individuals to participate in new investments in portfolio companies alongside the Company. All such investments are made through a nominee. The terms of the scheme ensure that all investments in voting ordinary shares are made on identical terms to those of the Company and that no selection of investments will be allowed. Total investment by participants in the co-investment scheme is set at 5% of the aggregate amount of ordinary shares subscribed for by the Company and the co-investing executives, except where the only securities to be acquired by the Company are ordinary shares or are securities quoted on AIM or ISDX, in which case the co-investment percentage will be 1.5%. Any dilution of the Company's interests is, therefore, minimal and the Directors believe that the scheme provides a useful incentive which closely aligns the interests of key individuals within the Manager's staff with those of the Shareholders.

In light of investment performance achieved by the Manager, together with the standard of company secretarial and administrative services provided, the Board considers that the continued appointment of the Manager and Secretary on the stated terms is in the best interests of the Company and its Shareholders.

It should be noted that, as at 3 March 2017, Maven Capital Partners and certain of its executives held, in aggregate, 2,387,464 of the Company's Ordinary Shares of 10p each.

#### Independent Auditor

The Board announced in the 2015 Annual Report that it intended to put the audit of the Company out to tender in 2016. The Chairman wrote to all Shareholders on 22 September 2016 confirming that, following the completion of an audit tender process, the Board had agreed to appoint Deloitte LLP as the Company's new auditor. Non-audit fees paid to Deloitte LLP during the period are detailed in Note 4 to the Financial Statements on page 61 (2015: n/a).

The Directors are satisfied that the procedures employed by Deloitte LLP support the Auditor's independence in relation to non-audit services, and that the objectivity of audit staff is not impaired.

#### Directors' Disclosure of Information to the Auditor

So far as the Directors who held office at the date of approval of this Annual Report are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's Auditor is unaware, and each of the Directors has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's Auditor is aware of that information.

### Purchase of Ordinary Shares

During the year ended 30 November 2016, the Company bought back a total of 230,000 (2015: 390,000) of its own Ordinary Shares for cancellation, representing 0.3% of the issued share capital as at 11 March 2016, being the last practicable date prior to the publication of the previous annual report.

A Special Resolution, numbered 12 in the Notice of Annual General Meeting, will be put to Shareholders at the 2017 AGM for their approval to renew the Company's authority to purchase in the market a maximum of 11,558,951 Ordinary Shares (14.99% of the shares in issue at 3 March 2017). Such authority will expire on the date of the AGM in 2018 or after a period of 15 months from the date of the passing of the Resolution, whichever is the earlier.

Purchases of shares will be made within guidelines established from time to time by the Board, but only if it is considered that such purchases would be to the advantage of the Company and its Shareholders when taken as a whole. Purchases will be made in the market at prices below the prevailing NAV per share. Under the FCA Listing Rules, the maximum price that may be paid on the exercise of this authority must not exceed 105% of the average of the mid-market quotations for the shares over the five business days immediately preceding the date of purchase. The minimum price that may be paid is 10p per share. In making purchases, the Company will deal only with member firms of the London Stock Exchange. Any shares which are purchased shall either be cancelled or held in treasury.

Purchases of shares by the Company will be made from distributable reserves and will normally be paid out of cash balances held by the Company from time to time. As any purchases will be made at a discount to NAV at the time of purchase, the NAV of the remaining Ordinary Shares in issue should increase as a result of any such purchase. Shares will not be purchased by the Company in the period from the end of the Company's relevant financial period up to and including the earlier of an announcement of all price sensitive information in respect of the relevant period or the release of the full results.

### Issue of New Ordinary Shares

During the year under review, no new Ordinary Shares were allotted. An Ordinary Resolution, numbered 10 in the Notice of Annual General Meeting, will be put to Shareholders at the 2017 AGM for their approval for the Company to issue up to an aggregate nominal amount of £771,110 (equivalent to 7,711,108 Ordinary Shares or 10% of the total issued share capital at 3 March 2017).

Issues of new Ordinary Shares may only be made at, or at a premium to, NAV per share, thus ensuring existing investors will not be disadvantaged by such issues. The proceeds of any issue may be used to purchase the Company's shares in the market or to fund further investments in accordance with the Company's investment policy. This authority shall expire either at the conclusion of the AGM in 2018 or on the expiry of 15 months from the passing of the Resolution, whichever is the first to occur.

When shares are to be allotted for cash, Section 561(1) of the Companies Act 2006 provides that existing Shareholders have pre-emption rights and that the new shares are offered first to such Shareholders in proportion to their existing shareholdings. However, Shareholders can, by special resolution, authorise the Directors to allot shares otherwise than by a pro rata issue to existing Shareholders.

A Special Resolution, numbered 11 in the Notice of Annual General Meeting, will, if passed, give the Directors power to allot for cash, Ordinary Shares up to an aggregate nominal amount of £771,110 (equivalent to 7,711,108 Ordinary Shares or 10% of the total issued share capital at 3 March 2017) as if Section 561(1) does not apply. This is the same amount of share capital that the Directors are seeking the authority to allot pursuant to Resolution 10. The authority will also expire either at the conclusion of the AGM of the Company in 2018 or on the expiry of 15 months from the passing of the Resolution, whichever is the first to occur.

### Share Capital and Voting Rights

As at 30 November 2016, and as at 3 March 2017, the Company's share capital amounted to 77,111,087 Ordinary Shares of 10p each. Further details are included in Note 12 to the Financial Statements.

### Related Party Transactions

Other than those set out in this Directors' Report, there are no further related party transactions that require to be disclosed.

### Post Balance Sheet Events

Other than those referred to in the Investment Manager's Review on page 23, there have been no events since 30 November 2016 that require disclosure.

### Annual General Meeting and Directors' Recommendation

The AGM will be held on 25 April 2017 and the Notice of Annual General Meeting is on pages 71 to 75 of this Annual Report. The Notice of Annual General Meeting also contains a Resolution that seeks authority for the Directors to convene a General Meeting, other than an AGM, on not less than fourteen days' clear notice.

The Board encourages Shareholders to vote at the Annual General Meeting and votes can be submitted by hard copy proxy form, via CREST or electronically using the Registrar's Share Portal Service at [www.capitashareportal.com](http://www.capitashareportal.com). Please refer to the notes to the Notice of Annual General Meeting on pages 73 to 75 of this Annual Report.

The Directors consider that all of the Resolutions to be put to the AGM are in the best interests of the Company and its Shareholders as a whole. Your Board will be voting in favour of all Resolutions and recommends that Shareholders do so as well.

**By order of the Board**  
**Maven Capital Partners UK LLP**  
**Secretary**

**6 March 2017**

# DIRECTORS' REMUNERATION REPORT

## Statement by the Remuneration Committee

This report has been prepared in accordance with the requirements of Section 421 of the Companies Act 2006 and the Enterprise and Regulatory Reform Act 2013. An Ordinary Resolution for the approval of this report will be put to the Members of the Company at the forthcoming AGM. The law requires the Company's Auditor to audit certain of the disclosures provided. Where disclosures have been audited, they are indicated as such and the Auditor's opinion is included in their report on pages 50 to 54. This report includes a section on the Company's policy for the remuneration of its Directors.

The Directors have established a Remuneration Committee comprising the Board, with Allister Langlands as its Chairman. As all of the Directors are non-executive, the Principles of the UK Corporate Governance Code in respect of executive directors' remuneration do not apply.

At 30 November 2016, the Company had three non-executive Directors and their biographies are shown in the Your Board section of this Annual Report. The names of the Directors who served during the year together with the fees paid during the year are shown in the table on page 40.

The dates of appointment of the Directors in office as at 30 November 2016 and the dates on which they will next be proposed for re-election are as follows:

	Date of original appointment	Due date for re-election
Allister Langlands	1 June 2013	25 April 2017
Gordon Humphries	7 February 2006	25 April 2017
Charles Young	1 June 2013	25 April 2017

During the year ended 30 November 2016, the Board was not provided with advice or services by any person in respect of its consideration of the Directors' remuneration. However, in the application of the Board's policy on Directors' remuneration, as defined below, the Committee expects, from time to time, to review the fees paid to the directors of other venture capital trust companies.

During the year ended 30 November 2015, the Remuneration Committee carried out a review of the remuneration policy and the level of Directors' fees and recommended that, with effect from 1 December 2015, the rates of remuneration should be revised to: £21,500 for the Chairman; £20,000 for the Chairman of the Audit Committee; and £17,500 for each other Director. During the year ended 30 November 2016, the Remuneration Committee carried out a further review of the remuneration policy and the level of Directors' fees and recommended that the levels of remuneration be increased by a further £500 per annum for each Director with effect from 1 December 2016.

The Committee considered that the revised total Directors' remuneration is reasonable when compared with other similar VCTs.

## Directors' Interests (audited)

The Directors' interests in the share capital of the Company are shown in the Directors' Report on page 35. There is no requirement for Directors to hold shares in the Company.

## Remuneration Policy

The Company's policy is that the remuneration of the Directors, all of whom are non-executive, should reflect the experience of the Board as a whole and be fair and comparable to that of other VCTs with a similar capital structure and similar investment objectives. Directors are remunerated in the form of fees, payable quarterly in arrears, to the Director personally or to a third party specified by him or her. The fees for the Directors are determined within the limits set out in the Company's Articles of Association, which limit the aggregate of the fees payable to the Directors to £90,180 per annum (as varied by the UK Retail Prices Index from year to year) and the approval of Shareholders at a general meeting would be required to change this limit.

It is intended that the fees payable to the Directors should reflect their duties, responsibilities, and the value and amount of time committed to the Company's affairs, and should also be sufficient to enable candidates of a high quality to be recruited and retained. Non-executive Directors do not receive bonuses, pension benefits, share options, long-term incentive schemes or other benefits, and the fees are not specifically related to the Directors' performance, either individually or collectively. A copy of this remuneration policy may be inspected by the Members of the Company at its registered office.

It is the Board's intention that the above Remuneration Policy will be put to a Shareholders' vote at least once every three years and, as a Resolution was approved at the AGM held in 2014, an Ordinary Resolution for its approval will be proposed at the AGM to be held in 2017.

At the AGM held in April 2014, the result in respect of the Ordinary Resolution to approve the Remuneration Policy Report for the three years to 30 November 2016 was as follows:

	Percentage of votes cast for	Percentage of votes cast against	Number of votes withheld
Remuneration Policy Report	96.1	3.9	235,350

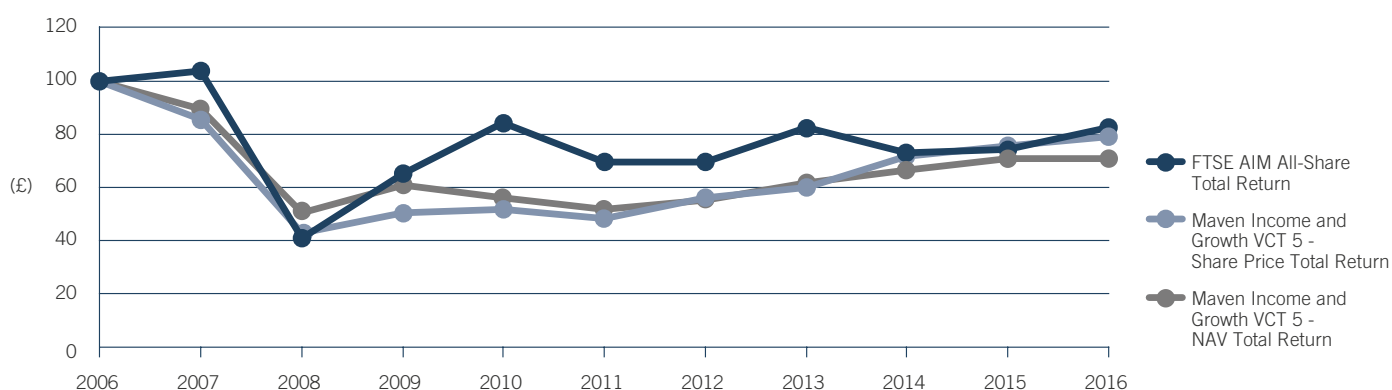
## Directors' and Officers' Liability Insurance

The Company purchases and maintains liability insurance covering the Directors and Officers of the Company. This insurance is not a benefit in kind, nor does it form part of the Directors' remuneration.

## Company Performance

The Board is responsible for the Company's investment strategy and performance, although the day to day management of the Company's investment portfolio is delegated to the Manager through the Investment Management Agreement, as referred to in the Directors' Report.

The graph below compares the total returns on an investment of £100 in the Ordinary Shares of the Company, for each annual accounting period for the ten years to 30 November 2016, assuming all dividends are reinvested, with the total shareholder return on a notional investment of £100 made up of shares of the same kind and number as those by reference to which the FTSE AIM All-Share index is calculated. This index was chosen for comparison purposes as it is the most relevant to the Company's investment portfolio.



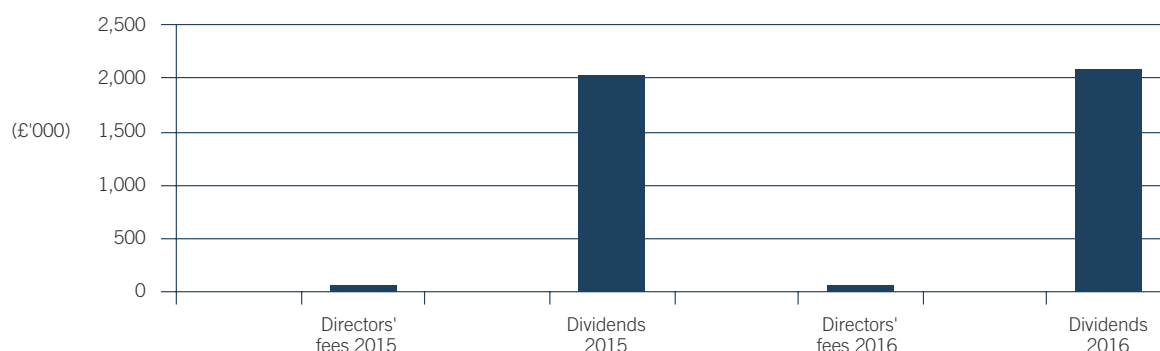
Source: Maven Capital Partners UK LLP/London Stock Exchange.

Please note that past performance is not necessarily a guide to future performance.



### Relative Cost of Directors' Remuneration

The chart below shows, for the years ended 30 November 2016 and 30 November 2015, the cost of Directors' fees compared with the level of dividend distribution.



As noted in the Strategic Report, all of the Directors are non-executive and, therefore, the Company does not have a chief executive officer, nor does it have any employees. In the absence of a chief executive officer or employees, there is no related information to disclose.

### Directors' Remuneration (audited)

The Directors who served during the year received the following emoluments in the form of fees:

	Year ended 30 November 2016 £	Year ended 30 November 2015 £
Allister Langlands, Chairman	21,500	20,500
Gordon Humphries, Audit Committee Chairman	20,000	19,000
Charles Young	17,500	16,500
<b>Total</b>	<b>59,000</b>	<b>56,000</b>

The above amounts exclude any employers' national insurance contributions, if applicable. No other forms of remuneration were received by the Directors and no Director received any taxable expenses, compensation for loss of office or non-cash benefit for the year ended 30 November 2016 (2015: £nil).

The Company does not have any employees and Directors' remuneration comprises solely of Directors' fees. The current and projected Directors' fees for the year ended 30 November 2016 and the year ending 30 November 2017 are shown below.

	Year ending 30 November 2017 £	Year ended 30 November 2016 £
Allister Langlands, Chairman	22,000	21,500
Gordon Humphries, Audit Committee Chairman	20,500	20,000
Charles Young	18,000	17,500
<b>Total</b>	<b>60,500</b>	<b>59,000</b>



Directors do not have service contracts, but new Directors are provided with a letter of appointment. The terms of appointment provide that Directors should retire and be subject to election at the first AGM after their appointment. The Company's Articles of Association require all Directors to retire by rotation at least every three years and that any Director who has served on the Board for more than nine years will offer himself for re-election annually. However, the Board has agreed that all Directors will retire annually and, if appropriate, seek re-election.

There is no notice period and no provision for compensation upon early termination of appointment, save for any arrears of fees which may be due.

During the year ended 30 November 2016, no communication was received from Shareholders regarding Directors' remuneration. The remuneration policy and the level of fees payable is reviewed annually by the Remuneration Committee and, subject to the Remuneration Policy being approved by Shareholders at the 2017 AGM for a further three-year period, it is intended that the current policy will continue for the year ending 30 November 2017.

At the AGM held in April 2016, the result in respect of the Ordinary Resolution to approve the Directors' Remuneration Report for the year ended 30 November 2015 was as follows:

	Percentage of votes cast for	Percentage of votes cast against	Number of votes withheld
Remuneration Report	94.6	5.4	216,380

An Ordinary Resolution to approve the Directors' Remuneration Report for the year ended 30 November 2016 will be proposed at the AGM to be held in 2017.

### Approval

The Directors' Remuneration Report was approved by the Board of Directors and signed on its behalf by:

**Allister Langlands**  
Director

6 March 2017

# STATEMENT OF CORPORATE GOVERNANCE

**The Company is committed to, and is accountable to the Company's Shareholders for, a high standard of corporate governance. The Board has put in place a framework for corporate governance that it believes is appropriate for a venture capital trust and which enables it to comply with the UK Corporate Governance Code (the Code) published in April 2016. The Code is available from the website of the Financial Reporting Council at [www.frc.org.uk](http://www.frc.org.uk).**

During the year under review, the Company was a member of the AIC, which has published its own Code on Corporate Governance (the AIC Code) and the AIC Corporate Governance Guide for Investment Companies (the AIC Guide). These were both revised in July 2016 and provide a comprehensive guide to best practice in certain areas of governance where the specific characteristics of investment trusts or venture capital trusts suggest alternative approaches to those set out in the Code. Both the AIC Code and AIC Guide are available from the AIC website at [www.theaic.co.uk](http://www.theaic.co.uk).

This Statement of Corporate Governance forms part of the Directors' Report.

## **Application of the Main Principles of the Code and the AIC Code**

This statement describes how the main principles identified in the Code and the AIC Code (the Codes) have been applied by the Company throughout the year as is required by the Listing Rules of the FCA. In instances where the Code and AIC Code differ, an explanation will be given as to which governance code has been applied, and the reason for that decision.

The Board is of the opinion that the Company has complied fully with the main principles identified in the Codes, except as set out below:

- provision A2.1 (dual role of the chairman and chief executive);
- provision A4.1 (senior independent director);
- provision B1.1 (tenure of directors); and
- provisions D2.1, 2.2 and 2.4 (the remuneration committee).

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

## **The Board**

The Board currently consists of three male Directors, all of whom are non-executive and considered to be independent of the investment manager (Maven Capital Partners UK LLP, Maven, or the Manager) and free of any relationship which could materially interfere with the exercise of their independent judgement. The biographies of the Directors appear in the Your Board section of this Annual Report and indicate their high level and range of investment, industrial, commercial and professional experience.

The Board sets the Company's values and objectives and ensures that its obligations to Shareholders are met. It has formally adopted a schedule of matters which are required to be brought to it for decision, thus ensuring that it maintains full and effective control over appropriate strategic, financial, operational and compliance issues. These matters include:

- the appointment and removal of the Manager and the terms and conditions of any management and administration agreements;
- the maintenance of clear investment objectives and risk management policies;
- the monitoring of the business activities of the Company;
- Companies Act requirements such as the approval of the interim and annual Financial Statements and the approval and recommendation of interim and final dividends;
- major changes relating to the Company's structure, including share buy-backs and share issues;
- Board appointments and related matters;
- terms of reference and membership of Board Committees; and
- Stock Exchange, UK Listing Authority and Financial Conduct Authority matters, such as approval of all circulars, listing particulars and releases concerning matters decided by the Board.

As required by the Companies Act 2006 and permitted by the Articles of Association, Directors notify the Company of any situation which might give rise to the potential for a conflict of interest, so that the Board may consider and, if appropriate, approve such situations. A register of potential conflicts of interest for Directors is reviewed regularly by the Board and the Directors notify the Company whenever there is a change in the nature of a registered conflict, or whenever a new conflict situation arises.

Following implementation of the Bribery Act 2010, the Board adopted appropriate procedures.

There is an agreed procedure for Directors to take independent professional advice, if necessary, at the Company's expense.

The Directors have access to the advice and services of the Secretary through its appointed representatives who are responsible to the Board for:

- ensuring that Board procedures are complied with;
- under the direction of the Chairman, ensuring good information flows within the Board and its Committees; and
- advising on corporate governance matters.

An induction meeting will be arranged by the Manager on the appointment of any new Director, covering details about the Company, the Manager, legal responsibilities and venture capital industry matters. Directors are provided, on a regular basis, with key information on the Company's policies, regulatory and statutory

Directors have attended Board and Committee Meetings during the year ended 30 November 2016<sup>1</sup> as follows:

	Board	Board Committee	Audit Committee	Management Engagement Committee	Nomination Committee	Remuneration Committee	Risk Committee
Allister Langlands	4 (4)	3 (3)	4 (4)	1 (1)	1 (1)	1 (1)	4 (4)
Gordon Humphries	4 (4)	3 (3)	4 (4)	1 (1)	1 (1)	1 (1)	4 (4)
Charles Young	4 (4)	3 (3)	4 (4)	1 (1)	1 (1)	1 (1)	4 (4)

<sup>1</sup> The number of meetings which the Directors were eligible to attend is in brackets.

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

The Board and its Committees have undertaken a process for their annual performance evaluation, using questionnaires and discussion to ensure that Directors have devoted sufficient time and contribute adequately to the work of the Board and its Committees. The Chairman is subject to evaluation by his fellow Directors.

### Directors' Terms of Appointment

The Company's Articles of Association require all Directors to retire by rotation at least every three years and that any Director who has served on the Board for more than nine years will offer himself for re-election annually. However, the Board has agreed that all Directors will retire annually and, if appropriate, seek re-election.

### Policy on Tenure

The Board subscribes to the view expressed in the AIC Code that long-serving Directors should not be prevented from forming part of an independent majority. It does not consider that a Director's tenure necessarily reduces his ability to act independently and, following formal performance evaluations, believes that each Director is independent in character and judgement and that there are no relationships or circumstances which are likely to affect the judgement of any Director.

requirements and internal controls. Changes affecting Directors' responsibilities are advised to the Board as they arise.

Allister Langlands is Chairman of the Company and Gordon Humphries is Chairman of the Audit and Risk Committees. Allister Langlands is also Chairman of the Management Engagement, Nomination and Remuneration Committees as the other Directors consider that he has the skills and experience relevant to these roles.

The Board meets at least four times each year and, between meetings, maintains regular contact with the Manager. The primary focus of quarterly Board Meetings is a review of investment performance and related matters including asset allocation, peer group information and industry issues. During the year ended 30 November 2016, the Board held four full Board Meetings and three Committee Meetings. In addition, there were four meetings of the Audit Committee, four meetings of the Risk Committee and one meeting each of the Management Engagement, Nomination and Remuneration Committees.

The Board's policy on tenure is that continuity and experience are considered to add significantly to the strength of the Board and, as such, no limit on the overall length of service of any of the Company's Directors, including the Chairman, has been imposed. The Company has no executive Directors or employees.

### Committees

Each of the Committees has been established with written terms of reference and comprises the full Board, the members of which are all independent and free from any relationship that would interfere with important judgement in carrying out their responsibilities. The terms of reference of each of the Committees, which are available on request from the Registered Office of the Company, are reviewed and re-assessed for their adequacy at each meeting.

#### Audit Committee

The Audit Committee is chaired by Gordon Humphries and comprises all independent Directors. The role and responsibilities of the Committee are detailed in a joint report by the Audit and Risk Committees.

#### Management Engagement Committee

The Management Engagement Committee, which comprises all of the independent Directors and is chaired by Allister Langlands, is responsible for the annual review of the management contract with the Manager, details of which are shown in the Directors' Report. One meeting was held during the year ended 30 November 2016, at which the Committee recommended the continued appointment of Maven Capital Partners UK LLP as Manager of the Company.

### **Nomination Committee**

The Nomination Committee, which comprises all of the independent Directors and is chaired by Allister Langlands, held one meeting during the year ended 30 November 2016. The Committee makes recommendations to the Board on the following matters:

- the evaluation of the performance of the Board and its Committees;
- the review of the composition, skills, knowledge, experience and diversity (including gender diversity) of the Board;
- succession planning;
- the identification and nomination of candidates to fill Board vacancies, as and when they arise, for the approval of the Board;
- the re-appointment of any non-executive Director at the conclusion of their specified term of office;
- the re-election by Shareholders of any Director under the retirement by rotation provisions in the Company's Articles of Association;
- the continuation in office of any Director at any time; and
- the appointment of any Director to another office, such as Chairman of the Audit Committee, other than to the position of Chairman of the Company.

At its meeting in October 2016, the Nomination Committee recommended the re-election of Gordon Humphries, Allister Langlands and Charles Young and, accordingly, Resolutions 5 to 7 will be put to the 2017 AGM.

The performance of the Board, Committees and individual Directors was evaluated through an assessment process, led by the Chairman and the performance of the Chairman was evaluated by the other Directors. While the Company does not have a formal policy on diversity, Board diversity forms part of the responsibilities of the Committee.

### **Remuneration Committee**

Where a venture capital trust has only non-executive directors, the Code principles relating to directors' remuneration do not apply. However, the Company does have a Remuneration Committee, comprising the full Board and which is chaired by Allister Langlands. The Committee held one meeting during the year ended 30 November 2016 to review the policy for, and the level of, Directors' Remuneration.

The level of remuneration of the Directors has been set in order to attract and retain individuals of a calibre appropriate to the future development of the Company. Details of the remuneration of each Director and of the Company's policy on Directors' Remuneration are provided in the Directors' Remuneration Report.

### **Risk Committee**

The Risk Committee is chaired by Gordon Humphries and comprises all independent Directors. The role and responsibilities of the Committee are detailed in a joint report by the Audit and Risk Committees.

### **External Agencies**

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

### **Corporate Governance, Stewardship and Proxy Voting**

The Financial Reporting Council (FRC) published the UK Stewardship Code (the Stewardship Code) for institutional shareholders on 2 July 2010 and this was revised in September 2012. The purpose of the Stewardship Code is to enhance the quality of engagement between institutional investors and companies to help improve long-term returns to shareholders and assist institutional investors in the efficient exercise of their governance responsibilities.

The Board is aware of its duty to act in the interests of the Company and the Directors believe that the exercise of voting rights lies at the heart of regulation and the promotion of good corporate governance. The Directors, through the Manager, would wish to encourage companies in which investments are made to adhere to best practice in the area of corporate governance. The Manager believes that, where practicable, this can best be achieved by entering into a dialogue with investee company management teams to encourage them, where necessary, to improve their governance policies. Therefore, the Board has delegated responsibility for monitoring the activities of portfolio companies to the Manager and has given it discretionary powers to vote in respect of the holdings in the Company's investment portfolio.

### **Socially Responsible Investment Policy**

The Directors and the Manager are aware of their duty to act in the interests of the Company and acknowledge that there are risks associated with investment in companies which fail to conduct business in a socially responsible manner. Therefore, the Directors and the Manager take account of the social environment and ethical factors that may affect the performance or value of the Company's investments. Maven and the Directors believe that a company run in the long-term interests of its shareholders should manage its relationships with its employees, suppliers and customers and behave responsibly towards the environment and society as a whole.

### Communication with Shareholders

The Company places a great deal of importance on communication with its Shareholders. The AGM is an event that all Shareholders are welcome to attend and participate in. The Notice of Annual General Meeting sets out the business of the AGM and the Resolutions are explained more fully in the Explanatory Notes to the Notice of Annual General Meeting as well as in the Directors' Report and the Directors' Remuneration Report. Separate Resolutions are proposed for each substantive issue and Shareholders have the opportunity to put questions to the Board and to the Manager. The results of proxy voting are relayed to Shareholders after the Resolutions have been voted on by a show of hands. Nominated persons, often the beneficial owners of shares held for them by nominee companies, may attend Shareholder meetings and are invited to contact the registered Shareholder, normally a nominee company, in the first instance in order to be nominated to attend the meeting and to vote in respect of the shares held for them. In general, a venture capital trust has few major shareholders.

As recommended under the Code, the Annual Report is normally published at least twenty business days before the AGM. Annual and Interim Reports and Financial Statements are distributed to Shareholders and other parties who have an interest in the Company's performance.

Shareholders and potential investors may obtain up-to-date information on the Company through the Manager and the Secretary, and the Company responds to letters from Shareholders on a wide range of issues. In order to ensure that the Directors develop an understanding of the views of Shareholders, correspondence between Shareholders and the Manager or the Chairman is copied to the Board. The Company's web pages are hosted on the Manager's website, and can be visited at [www.mavencp.com/migvct5](http://www.mavencp.com/migvct5) from where Annual and Interim Reports, Stock Exchange Announcements and other information can be viewed, printed or downloaded. Further information about the Manager can be obtained from [www.mavencp.com](http://www.mavencp.com).

### Accountability and Audit

The Statement of Directors' Responsibilities in respect of the Financial Statements is on page 46 and the Statement of Going Concern and the Viability Statement are included in the Directors' Report on pages 34 and 35. The Independent Auditor's Report is on pages 50 to 54.

**By order of the Board**  
**Maven Capital Partners UK LLP**  
**Secretary**

**6 March 2017**

# STATEMENT OF DIRECTORS' RESPONSIBILITIES

## **The Directors are responsible for preparing the Annual Report, the Directors' Remuneration Report and the Financial Statements in accordance with applicable law and regulations.**

Company law requires the Directors to prepare Financial Statements for each financial year. Under that law, the Directors have elected to prepare the Financial Statements in accordance with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland. The Financial Statements are required by law to give a true and fair view of the state of affairs of the Company and of the net return 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 judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the Financial Statements comply with the Companies Act. 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 also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Report (including a report on remuneration policy) and Corporate Governance Statement that comply with applicable laws and regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's webpages, which are hosted on the Manager's website. Legislation in the United Kingdom governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

The Directors are also responsible for ensuring that the Annual Report and Financial Statements, taken as a whole, is fair, balanced and understandable and provides the information necessary for Shareholders to assess the Company's position and performance, business model and strategy.

## **Responsibility Statement of the Directors in respect of the Annual Report and Financial Statements**

The Directors confirm that, to the best of their knowledge:

- the Financial Statements have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company as at 30 November 2016 and for the year to that date;
- the Directors' Report includes a fair review of the development and performance of the Company, together with a description of the principal risks and uncertainties that it faces; and
- the Annual Report and Financial Statements taken as a whole is fair, balanced and understandable and provides the information necessary for Shareholders to assess the Company's position and performance, business model and strategy.

**By order of the Board  
Maven Capital Partners UK LLP  
Secretary**

**6 March 2017**



# REPORT BY THE AUDIT AND RISK COMMITTEES

## The Audit Committee and the Risk Committee are both chaired by Gordon Humphries and comprise all independent Directors.

### Audit Committee

The Board is satisfied that at least one member of the Committee has recent and relevant financial experience and that the Audit Committee as a whole has competence relevant to the sector in which the Company operates.

The principal responsibilities of the Committee include:

- the integrity of the Interim and Annual Reports and Financial Statements and reviewing any significant financial reporting judgements contained therein;
- the review of the terms of appointment of the Auditor, together with its remuneration, including any non-audit services provided by the Auditor;
- the review of the scope and results of the audit and the independence and objectivity of the Auditor;
- the review of the Auditor's Board Report and any required response;
- meetings with representatives of the Manager;
- the review of the custody arrangements in place to confirm ownership of investments;
- the provision of advice on whether the Annual Report and Financial Statements, taken as a whole, is fair, balanced and understandable and provides the information necessary for Shareholders to assess the Company's position and performance, business model and strategy; and
- making appropriate recommendations to the Board.

### Activities of the Audit Committee

The Committee met four times during the year under review, in January, July, August and October 2016. At the January and July meetings, it considered the key risks detailed below and detailed in the Business Report and the corresponding internal control and risk reports provided by the Manager, which included the Company's risk management framework. No significant weaknesses in the control environment were identified and it was also noted that there had not been any adverse comment from the Auditor and that the Auditor had not identified any significant issues in its audit report. The Committee, therefore, concluded that there were no significant issues which required to be reported to the Board.

At its meeting in January 2016, the Committee also considered the draft Annual Report and Financial Statements for the year ended 30 November 2015, along with the amount of the final dividend for the year then ended.

At its meeting in July 2016, the Committee reviewed the Half Yearly Report for the six months ended 31 May 2016 and reviewed the progress being made on the audit tender process.

At its meeting in August 2016, the Committee discussed the audit tender documentation received and the presentations by the audit firms who had been shortlisted and agreed to propose two audit

firms to the Board with a recommendation in respect of Deloitte LLP.

At its meeting in October 2016, the Committee considered the Deloitte LLP Planning Report in respect of the audit for the year ended 30 November 2016.

Subsequent to 30 November 2016, at its meeting in January 2017, the Committee also reviewed, for recommendation to the Board, the Audit Report from the Independent Auditor and the draft Annual Report and Financial Statements for the year ended 30 November 2016, along with the amount of the final dividend for the year then ended, and provided advice to the Board that it considered that the Annual Report and Financial Statements, taken as a whole, were fair, balanced and understandable and provided the information necessary for Shareholders to assess the Company's position and performance, business model and strategy.

It is recognised that the portfolio forms a significant element of the Company's assets and that there are different risks associated with listed and unlisted investments. The primary risk that requires the particular attention of the Committee is that unlisted investments are not recognised and measured in line with the Company's stated accounting policy on the valuation of investments as set out in Note 1(e) to the Financial Statements on pages 59 and 60. In accordance with that policy, unlisted investments are valued by the Manager and are subject to scrutiny and approval by the Directors. Investments listed on a recognised stock exchange are valued at their bid market price.

The Audit Committee has considered the assumptions and judgements in relation to the valuation of each quoted and unquoted investment and is satisfied that they are appropriate.

Investment	% of net assets by value	Valuation basis
AIM/ISDX quoted	30.3	Bid price <sup>1</sup>
Listed investment trusts	3.5	Bid price <sup>1</sup>
Legacy unquoted	1.2	Directors' valuation <sup>2</sup>
Maven unquoted	51.9	Directors' valuation <sup>2</sup>
<b>Total investment</b>	<b>86.9</b>	

<sup>1</sup> London Stock Exchange closing market quote.

<sup>2</sup> Directors' valuation represents an independent third party valuation or either of: (i) an earnings multiple basis; (ii) cost; or (iii) a provision against cost where there may be a diminution in value due to a company's underperformance. Where an earnings multiple or cost less impairment is not appropriate, or other overriding factors apply, a discounted cash flow or net asset value basis may be applied.

The Committee recommended the investment valuations, representing 86.9% of net assets as at 30 November 2016, to the main Board for approval. In addition, the revenue generated from dividend income and loan stock interest has been considered by the Committee on a quarterly basis and the Directors are satisfied that the levels of income recognised are in line with revenue estimates.

As part of its annual review of audit service, the Committee reviews the performance, cost effectiveness and general relationship with the external Auditor. In addition, the Committee reviews the independence and objectivity of the external Auditor.

As reported in the Annual Report for the year to 30 November 2015, the Board had agreed to put the audit out to tender during 2016. The Audit Committee considered the FRC Guidance on Audit Tenders and carried out a review of auditors active in the VCT sector. A shortlist comprising three firms was considered and these firms were invited to present to the Audit Committee. One firm withdrew from the audit tender process due to other commitments and accordingly the shortlist comprised BDO LLP and Deloitte LLP. The Company's previous Auditor, KPMG LLP did not participate in the competitive tender for the audit due to the rules on the mandatory rotation of auditors. Both audit firms presented to the Chairman of the Audit Committee in London in July 2016. After careful consideration, the Audit Committee proposed BDO LLP and Deloitte LLP to the Board with a recommendation that Deloitte LLP be appointed as Auditor in respect of the audit for the year to 30 November 2016. This recommendation was based on Deloitte's knowledge of the VCT sector, in particular their knowledge of the underlying investee companies, and the competitive fee proposed.

The Board considered the recommendation from the Audit Committee and agreed to appoint Deloitte LLP. The Chairman of the Company wrote to all Shareholders on 22 September 2016 confirming that Deloitte LLP had been appointed as Auditor to the Company.

The Independent Auditor's report is on pages 50 to 54 and it should be noted that Deloitte LLP will rotate the Senior Statutory Auditor responsible for the audit every five years.

The Company has in place a policy governing and controlling the provision of non-audit services by the external Auditor, so as to safeguard their independence and objectivity. Shareholders are asked to approve the appointment, and the Directors' responsibility for the remuneration, of the Auditor at each AGM. Any non-audit work, other than interim reviews, requires the specific approval of the Audit Committee in each case. Non-audit work, where independence may be compromised or conflicts arise, is prohibited. There are no contractual obligations which restrict the Committee's choice of Auditor. The Committee concluded that Deloitte LLP is independent of the Company and recommended that a Resolution for the appointment of Deloitte LLP as external Auditor should be put to the 2017 AGM.

### Activities of the Risk Committee

Under the recommendations of the AIFMD, the Company established a Risk Committee. The responsibilities of the Committee are:

- to keep under review the adequacy and effectiveness of the Manager's internal financial controls and internal control and risk management systems and procedures in the context of the Company's overall risk management system;
- to consider and approve the remit of the Manager's internal controls function and be satisfied that it has adequate resources and appropriate access to information to enable it to perform its role effectively and in accordance with the relevant professional standards;
- to identify, measure, manage and monitor the risks to the Company as recommended by the AIFMD including, but not limited to, the investment portfolio, credit, counterparty, liquidity, market and operational risk;

- to review quarterly reports from the Manager's internal control function (or if the circumstances require it on an ad hoc basis);
- to review the arrangements for, and effectiveness of, the monitoring of risk parameters;
- to ensure appropriate, documented and regularly updated due diligence processes are implemented when appointing and reviewing service providers, including reviewing the main contracts entered into by the Company for such services;
- to ensure that the risk profile of the Company corresponds to the size, portfolio structure and investment strategies and objectives of the Company;
- to report to the Board on its conclusions and to make recommendations in respect of any matters within its remit including proposals for improvement in, or changes to, the systems, processes and procedures that are in place;
- to review and approve the statements to be included in the Annual Report concerning risk management;
- to review and monitor the Manager's responsiveness to the findings and recommendations of its internal control function;
- to meet with representatives of the Manager's internal control function at least once each year, to discuss any issues arising; and
- to allow direct access to representatives of the Manager's internal control function.

The Committee will review these Terms of Reference at least once each year.

### Internal Control and Risk Management

The Board of Directors of Maven Income and Growth VCT 5 PLC has overall responsibility for the Company's system of internal control and for reviewing its effectiveness, and has considered the requirement for an internal audit function as recommended by Code provision C3.6. However, as the Directors have delegated the investment management, company secretarial and administrative functions of the Company to the Manager, the Board considers that it is appropriate for the Company's internal controls to be monitored by the Manager, rather than by the Company itself. The Directors have confirmed that there is an ongoing process for identifying, evaluating and managing the significant risks faced by the Company, which has been in place up to the date of approval of this Annual Report. This process is reviewed regularly by the Board and accords with internal control guidance issued by the FRC.

The Board has reviewed the effectiveness of the system of internal control and, in particular, it has reviewed the process for identifying and evaluating the significant risks affecting the Company and the policies and procedures by which these risks are managed. The Directors have delegated the management of the Company's assets to the Manager and this embraces implementation of the system of internal control, including financial, operational and compliance controls and risk management. Internal control systems are monitored and supported by the compliance function of the Manager, which undertakes periodic examination of business processes, including compliance with the terms of the Investment Management Agreement, and ensures that recommendations to improve controls are implemented.



Risks are identified through the Company's risk management framework by each function within the Manager's activities. Risk is considered in the context of the guidance issued by the FRC and includes financial, regulatory, market, operational and reputational risk. This helps the Manager's risk model identify those functions most appropriate for review.

Any errors or weaknesses identified are reported to the Company and timetables are agreed for implementing improvements to systems. The implementation of any remedial action required is monitored and feedback provided to the Board.

The key components designed to provide effective internal control for the year under review and up to the date of this report are:

- the Manager prepares forecasts and management accounts which allow the Board to assess the Company's activities and review its investment performance;
- the Board and Manager have agreed clearly defined investment criteria, specified levels of authority and exposure limits. Reports on these areas, including performance statistics and investment valuations, are submitted regularly to the Board;
- the Manager's evaluation procedure and financial analysis of the companies concerned include detailed appraisal and due diligence;
- the compliance team of the Manager reviews continually the Manager's operations;
- written agreements are in place which specifically define the roles and responsibilities of the Manager and other third party service providers;
- clearly documented contractual arrangements exist in respect of any activities that have been delegated to external professional organisations;
- the Committee carries out a quarterly assessment of internal controls by considering reports from the Manager, including its internal control and compliance functions, and taking account of events since the relevant period end; and
- the compliance function of the Manager reports annually to the Risk Committee and has direct access to the Directors at any time.

The internal control systems are intended to meet the Company's particular needs and the risks to which it is exposed. Accordingly, these systems are designed to manage, rather than eliminate, the risk of failure to achieve business goals and, by their nature, can provide reasonable, but not absolute, assurance against material misstatement or loss.

### Assessment of Risks

In terms of the assessment of the key risks facing the Company, it is recognised that the portfolio forms a significant element of its assets and a key issue that requires the particular attention of the Committee is that unlisted holdings are recognised and measured in line with the Company's stated accounting policy. Similarly, as investment income is the Company's major source of revenue, another key risk is that the Company does not recognise income in line with its stated policy and/or incorrectly allocates dividend income between capital and revenue. In addition, as the Company has contractually delegated specific services to external parties, another key risk relates to the performance of those service providers.

### Valuation, existence and ownership of the investment portfolio - how the risk was addressed

The Company uses the services of an independent custodian (JP Morgan Chase Bank) to hold the quoted investment assets of the Company. An annual internal control report is received from the Custodian which provides details of the Custodian's control environment. The investment portfolio is reconciled regularly by the Manager and the reconciliation is also reviewed by the Independent Auditor. The portfolio is reviewed and verified by the Manager on a regular basis and management accounts, including a full portfolio listing, are prepared quarterly and considered at the quarterly meetings of the Board. The portfolio is also audited annually by the Independent Auditor.

The valuation of investments is undertaken in accordance with the Company's stated accounting policy as set out in Note 1(e) to the Financial Statements on pages 59 and 60. Unlisted investments are valued by the Manager and are subject to scrutiny and approval by the Directors. Investments listed on a recognised stock exchange are valued at their bid market price.

The Committee considered and challenged the assumptions and significant judgements in relation to the valuation of each quoted and unquoted investment and was satisfied that they were appropriate. The Committee also satisfied itself that there were no issues associated with the existence and ownership of the investments which required to be addressed.

### Revenue recognition – how the risk was addressed

The recognition of dividend income and loan stock interest is undertaken in accordance with the accounting policy as set out in Note 1(b) to the Financial Statements on page 59. The management accounts are reviewed by the Board on a quarterly basis and discussion takes place with the Manager at the quarterly Board Meetings regarding the revenue generated from dividend income and loan stock. The Directors are satisfied that the levels of income recognised are in line with revenue estimates. The Committee concluded that there were no issues associated with revenue recognition which required to be addressed.

### Maintenance of VCT status – how the risk was addressed

Compliance with the VCT regulations is monitored continually by the Manager and is reviewed by the Committee on a quarterly basis. The Committee concluded that there were no issues associated with the maintenance of VCT status which required to be addressed.

The principal risks and uncertainties faced by the Company and the Board's strategy for managing these risks, is covered in the Business Report on pages 13 and 14.

**Gordon Humphries**  
Director

**6 March 2017**

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAVEN INCOME AND GROWTH VCT 5 PLC ONLY

## Opinion on the Financial Statements of Maven Income and Growth VCT 5 PLC

In our opinion the Financial Statements:

- give a true and fair view of the state of the Company's affairs as at 30 November 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

The Financial Statements comprise the Income Statement, Statement of Changes in Equity, Balance Sheet, Cash Flow Statement, and the related notes 1 to 16. 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

## Summary of our audit approach

<b>Key risks</b>	The key risks that we identified in the current year were: <ul style="list-style-type: none"> <li>• Valuation of unlisted investments</li> <li>• Existence of listed and unlisted investments</li> <li>• Compliance with VCT regulations</li> </ul>
<b>Materiality</b>	The materiality that we used in the current year was £600,000 which was determined on the basis of 2% of the net asset value of the Company at the year end.
<b>Scoping</b>	We designed our audit by determining materiality and assessing risks of material misstatement in the Financial Statements.
<b>Significant changes in our approach</b>	Due to recent changes to VCT regulations, we have included a key risk regarding compliance with VCT regulations in the current year. Other than the addition of this key risk and the related audit procedures to address it, we have not identified any significant changes in the business and environment from the prior year that have resulted in a significant change in our approach.

## Going concern and the Directors' assessment of the principal risks that would threaten the solvency or liquidity of the Company

As required by the Listing Rules we have reviewed the Directors' statement regarding the appropriateness of the going concern basis of accounting and the Directors' statement on the long-term viability of the Company contained within the Directors' Report on pages 34 and 35 of this Annual Report.

We are required to state whether we have anything material to add or draw attention to in relation to:

- the Directors' confirmation on page 34 that they have carried out a robust assessment of the principal risks facing the Company, including those that would threaten its business model, future performance, solvency or liquidity;
- the disclosures on page 49 that describe those risks and explain how they are being managed or mitigated;
- the Directors' statement on page 34 about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them and their identification of any material uncertainties to the Company's ability to continue to do so over a period of at least twelve months from the date of approval of the Financial Statements; and
- the Directors' explanation on pages 34 and 35 as to how they have assessed the prospects of the Company, over what period they have done so and why they consider that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

We confirm that we have nothing material to add or draw attention to in respect of these matters.

We agreed with the Directors' adoption of the going concern basis of accounting and we did not identify any such material uncertainties. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern.

## Independence



We are required to comply with the Financial Reporting Council's Ethical Standards for Auditors and confirm that we are independent of the Company and that we have fulfilled our other ethical responsibilities in accordance with those standards.

We confirm that we are independent of the Company and we have fulfilled our ethical responsibilities in accordance with those standards.

We also confirm we have not provided any of the prohibited non-audit services referred to in those standards.


## Our assessment of risks of material misstatement

The assessed risks of material misstatement described below are those that had the greatest effect on our audit strategy, the allocation of resources in the audit and directing the efforts of the engagement team.


Within this report, new risks are identified with  and risks which are the same as the prior year are identified with .

Last year the previous Auditor's report included one other risk which is not included in our report this year: carrying amount of quoted investments.


## Valuation of unlisted investments

<p><b>Risk description</b></p> 	<p>Refer to Note 1(e) of the Accounting Policies and Note 8 of the Notes to the Financial Statements.</p> <p>The Company holds unlisted investments that are valued in accordance with the revised International Private Equity and Venture Capital Valuation (IPEVCV) Guidelines. These unlisted investments represent £15.9m or 53% of the Company's total net assets. The valuation of the unlisted investments held by the Company is considered a significant risk since judgement is required in order to determine the fair value – for example, judgement is required to ascertain the level of maintainable earnings for any given company as well as the multiplier to be applied to investments in different sectors.</p> <p>Under the new VCT regulations, investments are more likely to be earlier stage companies, with a lack of financial performance history. Their valuation is therefore exposed to a greater degree of judgement.</p> <p>Due to the prevailing economic conditions in the oil &amp; gas sector, investments with activities in this market have been subject to increased focus and assessment.</p>
<p><b>How the scope of our audit responded to the risk</b></p>	<p>Our testing included:</p> <ul style="list-style-type: none"> <li>assessment of the design and implementation of key controls relating to valuation of unlisted investments;</li> <li>assessment of the valuation methodology applied for compliance with the IPEVCV Guidelines and review of the assumptions adopted for each unquoted investment;</li> <li>agreement of the carrying value of the cash acquisition vehicles to supporting bank statements; and</li> <li>review of a sample of unquoted investee company data (e.g. financial information and capital structures) to supporting documentation.</li> </ul>
<p><b>Key observations</b></p>	<p>Based on our testing and enquiries with management, we conclude that key controls around the valuation of unlisted investments were adequately designed and implemented. We conclude that the unquoted investments sit within a reasonable range of valuations.</p>

## Existence of listed and unlisted investments

<p><b>Risk description</b></p> 	<p>Refer to Note 1(e) of the Accounting Policies and Note 8 of the Notes to the Financial Statements.</p> <p>The Company holds both listed and unlisted investments. These investments represent £26.1m or 87% of the Company's total net assets. The ownership of the listed and unlisted investments held by the Company is considered a significant risk since if investments are not recorded in line with the holdings per the loan note certificates or custodian confirmation, this could result in a misstatement of the assets held.</p>
<p><b>How the scope of our audit responded to the risk</b></p>	<p>Our testing to address this significant risk included:</p> <ul style="list-style-type: none"> <li>assessment of the design and implementation of key controls relating to existence of listed and unlisted investments;</li> <li>obtaining share certificates for unlisted shares and loan notes held by the Manager and reconciling these to the portfolio listing;</li> <li>agreeing quoted investment ownership to reports from the underlying custodian; and</li> <li>confirming that the Manager has processes and controls in place to monitor compliance during the year.</li> </ul> <p>In addition to the above, we also tested a sample of purchases and sales of investments during the year, which provided additional assurance over the existence of investments.</p>
<p><b>Key observations</b></p>	<p>Based on our testing, we conclude that key controls around the existence of listed and unlisted investments were adequately designed and implemented. We conclude that the Company has appropriate title to the investments reported in the Financial Statements.</p>

## Compliance with VCT regulations

<b>Risk description</b> 	<p>Refer to the assessment of the VCT Qualifying Status Risk in the Governance Report on page 49.</p> <p>The Company must comply with Section 274 of the Income Tax Act 2007 to maintain VCT status. Failure to comply would result in the Company losing its corporation tax exemption on chargeable gains, with investors' gains also no longer being exempt from income tax.</p> <p>With the introduction of changes introduced by the Finance Act (No. 2) 2015 in November 2015, ensuring compliance with VCT rules has become increasingly complex to administer, with close monitoring required of the use of monies and monitoring of qualifying or non-qualifying investments.</p>
<b>How the scope of our audit responded to the risk</b>	<p>Our testing included:</p> <ul style="list-style-type: none"> <li>• assessment of the design and implementation of key controls relating to monitoring compliance with VCT regulations including new controls and processes in place over the pre-trade identification of qualifying investments and the ongoing review of VCT Section 274 compliance;</li> <li>• reviewing the year-end compliance statement that confirms that the Company satisfies the Income Tax Act 2007 Section 274 criteria at the year end and for all other quarter-ends in the year for consistency with the investments holding of the Company; and</li> <li>• reviewing that each of the criteria that must be met to retain VCT status have been complied with through re-performance of the relevant calculations and review of the qualifying investment listings.</li> </ul>
<b>Key observations</b>	<p>Based on our testing and enquiries with the Manager, we conclude that controls in place to monitor the compliance with VCT regulations were adequately designed and implemented. We noted no issue to report on the Company's compliance with the VCT regulations.</p>

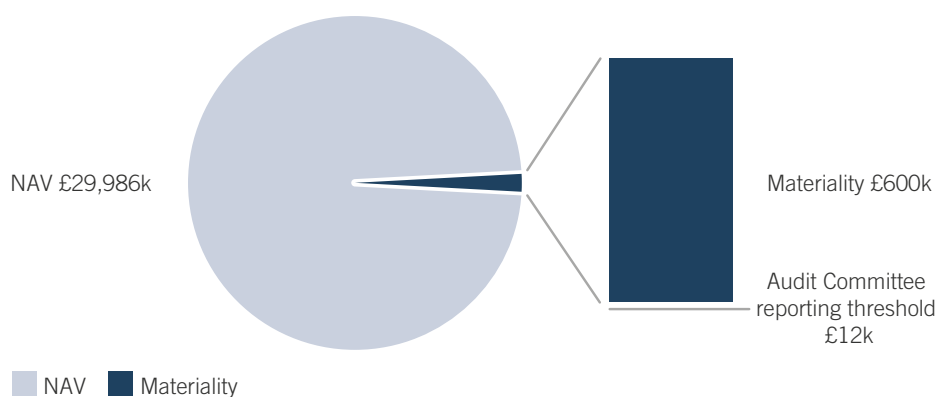
These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### Our application of materiality

We define materiality as the magnitude of misstatement in the Financial Statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the Financial Statements as a whole as follows:

<b>Materiality</b>	£600,000
<b>Basis for determining materiality</b>	2% of net asset value. In 2015, the previous Auditors set materiality on the basis of 1% of net asset value.
<b>Rationale for the benchmark applied</b>	Net assets is the primary measure used by the Shareholders in assessing the performance of the Company, and this is a generally accepted auditing benchmark used for companies in this industry.



We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of £12,000, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the Financial Statements.

### An overview of the scope of our audit

Our audit was scoped by obtaining an understanding of the entity and its environment, including internal control, and assessing the risks of material misstatement. Audit work to respond to the risks of material misstatement was performed directly by the audit engagement team.

### Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- 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 Strategic Report and the Directors' Report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

### Matters on which we are required to report by exception

<p><b>Adequacy of explanations received and accounting records</b></p> <p>Under the Companies Act 2006, we are required to report to you if, in our opinion:</p> <ul style="list-style-type: none"> <li>• we have not received all the information and explanations we require for our audit; or</li> <li>• adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or</li> <li>• the Financial Statements are not in agreement with the accounting records and returns.</li> </ul>	<p><b>We have nothing to report in respect of these matters.</b></p>
<p><b>Directors' remuneration</b></p> <p>Under the Companies Act 2006, we are also required to report if, in our opinion, certain disclosures of Directors' remuneration have not been made or the part of the Directors' Remuneration Report to be audited is not in agreement with the accounting records and returns.</p>	<p><b>We have nothing to report arising from these matters.</b></p>
<p><b>Corporate Governance Statement</b></p> <p>Under the Listing Rules, we are also required to review part of the Corporate Governance Statement relating to the Company's compliance with certain provisions of the UK Corporate Governance Code.</p>	<p><b>We have nothing to report arising from our review.</b></p>
<p><b>Our duty to read other information in the Annual Report</b></p> <p>Under International Standards on Auditing (UK and Ireland), we are required to report to you if, in our opinion, information in the Annual Report is:</p> <ul style="list-style-type: none"> <li>• materially inconsistent with the information in the audited Financial Statements; or</li> <li>• apparently materially incorrect based on, or materially inconsistent with, our knowledge of the Company acquired in the course of performing our audit; or</li> <li>• otherwise misleading.</li> </ul> <p>In particular, we are required to consider whether we have identified any inconsistencies between our knowledge acquired during the audit and the Directors' statement that they consider that the Annual Report is fair, balanced and understandable and whether the Annual Report appropriately discloses those matters that we communicated to the Audit Committee which we consider should have been disclosed.</p>	<p><b>We confirm that we have not identified any such inconsistencies or misleading statements.</b></p>

**Respective responsibilities of Directors and Auditor**

As explained more fully in the Directors' Responsibilities Statement, the Directors are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the Financial Statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). We also comply with International Standard on Quality Control 1 (UK and Ireland). Our audit methodology and tools aim to ensure that our quality control procedures are effective, understood and applied. Our quality controls and systems include our dedicated professional standards review team and independent partner reviews.

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.

**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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Andrew Partridge C.A. (Senior Statutory Auditor)**  
**for and on behalf of Deloitte LLP**  
**Chartered Accountants and Statutory Auditor**  
**Glasgow, United Kingdom**

**6 March 2017**

# FINANCIAL STATEMENTS

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## INCOME STATEMENT

For the Year Ended 30 November 2016

	Notes	Year ended 30 November 2016			Year ended 30 November 2015		
		Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Gains on investments	8	-	311	311	-	3,581	3,581
Income from investments	2	779	-	779	830	-	830
Other income	2	3	-	3	-	-	-
Investment management fees	3	(162)	(488)	(650)	(175)	(524)	(699)
Other expenses	4	(295)	-	(295)	(224)	-	(224)
<b>Net return on ordinary activities before taxation</b>		<b>325</b>	<b>(177)</b>	<b>148</b>	<b>431</b>	<b>3,057</b>	<b>3,488</b>
Tax on ordinary activities	5	(57)	57	-	(68)	68	-
<b>Return attributable to Equity Shareholders</b>		<b>268</b>	<b>(120)</b>	<b>148</b>	<b>363</b>	<b>3,125</b>	<b>3,488</b>
<b>Earnings per share (pence)</b>		<b>0.35</b>	<b>(0.16)</b>	<b>0.19</b>	<b>0.48</b>	<b>4.16</b>	<b>4.64</b>

All gains and losses are recognised in the Income Statement.

All items in the above statement are derived from continuing operations. The Company has only one class of business and one reportable segment, the results of which are set out in the Income Statement and Balance Sheet. The company derives its income from investments made in shares, securities and bank deposits.

There are no potentially dilutive capital instruments in issue and therefore no diluted returns per share figures are relevant. The basic and diluted earnings per share are therefore identical.

The total column of this Statement is the Profit and Loss Account of the Company.

## STATEMENT OF CHANGES IN EQUITY

For the Year Ended 30 November 2016

	Notes	Share Capital £'000	Share premium account £'000	Capital reserve realised £'000	Capital reserve unrealised £'000	Special distributable reserve £'000	Capital redemption reserve £'000	Revenue reserve £'000	Total £'000
<b>At 30 November 2015</b>		<b>7,734</b>	<b>8,816</b>	<b>(20,515)</b>	<b>(4,663)</b>	<b>38,219</b>	<b>3,545</b>	<b>(1,104)</b>	<b>32,032</b>
Net return		-	-	756	(876)	-	-	268	148
Dividends paid	6	-	-	(1,778)	-	-	-	(309)	(2,087)
Repurchase and cancellation of shares	12	(23)	-	-	-	(82)	23	-	(82)
<b>At 30 November 2016</b>		<b>7,711</b>	<b>8,816</b>	<b>(21,537)</b>	<b>(5,539)</b>	<b>38,137</b>	<b>3,568</b>	<b>(1,145)</b>	<b>30,011</b>

	Notes	Share Capital £'000	Share premium account £'000	Capital reserve realised £'000	Capital reserve unrealised £'000	Special distributable reserve £'000	Capital redemption reserve £'000	Revenue reserve £'000	Total £'000
<b>For the year ended 30 November 2015</b>									
<b>At 30 November 2014</b>		<b>6,760</b>	<b>5,840</b>	<b>(19,779)</b>	<b>(6,663)</b>	<b>38,350</b>	<b>3,506</b>	<b>(1,312)</b>	<b>26,702</b>
Net return		-	-	1,125	2,000	-	-	363	3,488
Dividends paid	6	-	-	(1,861)	-	-	-	(155)	(2,016)
Repurchase and cancellation of shares	12	(39)	-	-	-	(131)	39	-	(131)
Share issue	12	1,013	2,976	-	-	-	-	-	3,989
<b>At 30 November 2015</b>		<b>7,734</b>	<b>8,816</b>	<b>(20,515)</b>	<b>(4,663)</b>	<b>38,219</b>	<b>3,545</b>	<b>(1,104)</b>	<b>32,032</b>

The accompanying Notes are an integral part of the Financial Statements



## BALANCE SHEET

As at 30 November 2016

	Notes	30 November 2016 £'000	30 November 2015 £'000
<b>Fixed assets</b>			
Investments at fair value through profit or loss	8	26,077	30,488
<b>Current assets</b>			
Debtors	10	210	168
Cash		4,103	1,717
		<b>4,313</b>	<b>1,885</b>
<b>Creditors</b>			
Amounts falling due within one year	11	(379)	(341)
<b>Net current assets</b>		<b>3,934</b>	<b>1,544</b>
<b>Net assets</b>		<b>30,011</b>	<b>32,032</b>
<b>Capital and reserves</b>			
Called up share capital	12	7,711	7,734
Share premium account	13	8,816	8,816
Capital reserve - realised	13	(21,537)	(20,515)
Capital reserve - unrealised	13	(5,539)	(4,663)
Special distributable reserve	13	38,137	38,219
Capital redemption reserve	13	3,568	3,545
Revenue reserve	13	(1,145)	(1,104)
<b>Net assets attributable to Ordinary Shareholders</b>		<b>30,011</b>	<b>32,032</b>
<b>Net asset value per Ordinary Share (pence)</b>	14	<b>38.92</b>	<b>41.42</b>

The Financial Statements of Maven Income and Growth VCT 5 PLC, registered number 4084875, were approved and authorised for issue by the Board of Directors on 6 March 2017 and were signed on its behalf by:

**Allister Langlands**  
Director

The accompanying Notes are an integral part of the Financial Statements.

## CASH FLOW STATEMENT

For the Year Ended 30 November 2016

	Notes	Year ended 30 November 2016 £'000	Year ended 30 November 2015 £'000
<b>Net cash flows from operating activities</b>	15	(1,100)	(854)
<b>Cash flows from investing activities</b>			
Investment income received		742	819
Deposit interest received		3	-
Purchase of investments		(10,478)	(22,840)
Sale of investments		15,388	21,995
<b>Net cash flows from investing activities</b>		<b>5,655</b>	<b>(26)</b>
<b>Cash flows from financing activities</b>			
Equity dividends paid	6	(2,087)	(2,016)
Issue of Ordinary Shares		-	3,989
Repurchase of Ordinary Shares		(82)	(131)
<b>Net cash flows from financing activities</b>		<b>(2,169)</b>	<b>1,842</b>
<b>Net increase in cash</b>		<b>2,386</b>	<b>962</b>
<b>Cash at beginning of year</b>		<b>1,717</b>	<b>755</b>
<b>Cash at end of year</b>		<b>4,103</b>	<b>1,717</b>

The accompanying Notes are an integral part of the Financial Statements

# NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 November 2016

## 1. Accounting Policies

### (a) Basis of preparation

The Financial Statements have been prepared under FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland, and in accordance with the Statement of Recommended Practice for Investment Trust Companies and Venture Capital Trusts ('the SORP') issued by the Association of Investment Companies ('AIC') in November 2014.

### (b) Income

Dividends receivable on equity shares and unit trusts are treated as revenue for the period on an ex-dividend basis. Where no ex-dividend date is available dividends receivable on or before the year end are treated as revenue for the period. Provision is made for any dividends not expected to be received. The fixed returns on debt securities and non-equity shares are recognised on a time apportionment basis so as to reflect the effective interest rate on the debt securities and shares. Provision is made for any fixed income not expected to be received. Interest receivable from cash and short term deposits and interest payable are accrued to the end of the year.

### (c) Expenses

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

- expenses which are incidental to the acquisition and disposal of an investment are charged to capital; and
- expenses are charged to realised capital reserves where a connection with the maintenance or enhancement of the value of the investments can be demonstrated. In this respect, the investment management fee has been allocated 25% to revenue and 75% to realised capital reserves to reflect the Company's investment policy and prospective income and capital growth.

### (d) Taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or right to pay less tax in the future have occurred at the balance sheet date. This is subject to deferred tax assets only being recognised if it is considered more likely than not that there will be suitable profits from which the future reversal of the underlying timing differences can be deducted. Timing differences are differences arising between the Company's taxable profits and its results as stated in the Financial Statements which are capable of reversal in one or more subsequent periods.

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

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

UK corporation tax is provided at amounts expected to be paid/recovered using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

### (e) Investments

In valuing unlisted investments, the Directors follow the criteria set out below. These procedures comply with the revised International Private Equity and Venture Capital Valuation Guidelines (IPEVCV) for the valuation of private equity and venture capital investments. Investments are recognised at their trade date and are designated by the Directors as fair value through profit and loss. At subsequent reporting dates, investments are valued at fair value, which represents the Directors' view of the amount for which an asset could be exchanged between knowledgeable and willing parties in an arm's length transaction. This does not assume that the underlying business is saleable at the reporting date or that its current shareholders have an intention to sell their holding in the near future.

A financial asset or liability is generally derecognised when the contract that gives rise to it is settled, sold, cancelled or expires.

1. For investments completed prior to the reporting date, fair value is determined using the Price of Recent Investment Method, except that adjustments are made when there has been a material change in the trading circumstances of the company or a substantial movement in the relevant sector of the stock market.
2. Whenever practical, recent investments will be valued by reference to a material arm's length transaction or a quoted price.
3. Mature companies are valued by applying a multiple to their prospective earnings to determine the enterprise value of the company.
  - 3.1 To obtain a valuation of the total ordinary share capital held by management and the institutional investors, the value of third party debt, institutional loan stock, debentures and preference share capital is deducted from the enterprise value. The effect of any performance related mechanisms is taken into account when determining the value of the ordinary share capital.
  - 3.2 Preference shares, debentures and loan stock are valued using the Price of Recent Investment Method. When a redemption premium has accrued, this will only be valued if there is a reasonable prospect of it being paid. Preference shares which carry a right to convert into ordinary share capital are valued at the higher of the Price of Recent Investment Method basis and the price/earnings basis.
4. In the absence of evidence of a deterioration, or strong defensible evidence of an increase in value, the fair value is determined to be that reported at the previous balance sheet date.
5. All unlisted investments are valued individually by the portfolio management team of Maven Capital Partners UK LLP. The resultant valuations are subject to detailed scrutiny and approval by the Directors of the Company.
6. In accordance with normal market practice, investments listed on the Alternative Investment Market of the London Stock Exchange or a recognised stock exchange are valued at their bid market price.

#### **(f) Fair value measurement**

Fair value is defined as the price that the Company would receive upon selling an investment in a timely transaction to an independent buyer in the principal or the most advantageous market of the investment. A three-tier hierarchy has been established to maximise the use of observable market data and minimise the use of unobservable inputs and to establish classification of fair value measurements for disclosure purposes. Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk, for example, the risk inherent in a particular valuation technique used to measure fair value including such a pricing model and/or the risk inherent in the inputs to the valuation technique. Inputs may be observable or unobservable.

Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity.

Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability based on best information available in the circumstances.

The three-tier hierarchy of inputs is summarised in the three broad levels listed below:

- Level 1 - the unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 - inputs other than quoted prices included within Level 1 that are observable (ie developed using market data) for the asset or liability, either directly or indirectly.
- Level 3 - inputs are unobservable (ie for which market data is unavailable) for the asset or liability.

#### **(g) Gains and losses on investments**

When the Company sells or revalues its investments during the year, any gains or losses arising are credited/charged to the Income Statement.

#### **(h) Significant judgements and estimates**

Disclosure is required of judgements and estimates made by the Board and the Manager in applying the accounting policies that have a significant effect on the Financial Statements. The area involving the highest degree of judgement and estimates is the valuation of unlisted investments recognised in Note 8 and as explained in Note 1(e) above.

2. Income from investments	Year ended 30 November 2016		Year ended 30 November 2015	
	£'000		£'000	
UK franked investment income	39		96	
UK unfranked investment income	740		734	
	<b>779</b>		<b>830</b>	
<b>Other income:</b>				
Deposit interest	3		-	
<b>Total income</b>	<b>782</b>		<b>830</b>	

3. Investment management fees	Year ended 30 November 2016			Year ended 30 November 2015		
	Revenue	Capital	Total	Revenue	Capital	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Investment management fees	125	376	501	117	350	467
Performance based investment management fees	37	112	149	74	220	294
VAT reclaim on performance fees	-	-	-	(16)	(46)	(62)
	<b>162</b>	<b>488</b>	<b>650</b>	<b>175</b>	<b>524</b>	<b>699</b>

Details of the fee basis are contained in the Directors' Report on page 36.

4. Other expenses	Year ended 30 November 2016			Year ended 30 November 2015		
	Revenue	Capital	Total	Revenue	Capital	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Secretarial fees	78	-	78	81	-	81
VAT reclaim on secretarial fees	-	-	-	(57)	-	(57)
Directors' remuneration	59	-	59	56	-	56
Fees to Auditor - audit services	18	-	18	20	-	20
Fees to Auditor - tax compliance services	4	-	4	4	-	4
Bad debts written off	13	-	13	-	-	-
Miscellaneous expenses	123	-	123	120	-	120
	<b>295</b>	<b>-</b>	<b>295</b>	<b>224</b>	<b>-</b>	<b>224</b>

5. Tax on ordinary activities	Year ended 30 November 2016			Year ended 30 November 2015		
	Revenue	Capital	Total	Revenue	Capital	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Corporation tax	(57)	57	-	(68)	68	-

The tax assessed for the period is 20% (2015: 20%).

	Year ended 30 November 2016			Year ended 30 November 2015		
	Revenue	Capital	Total	Revenue	Capital	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Return on ordinary activities before tax	325	(177)	148	431	3,057	3,488
Revenue return on ordinary activities multiplied by standard rate of corporation tax	65	(35)	30	88	621	709
Non taxable UK dividend income	(8)	-	(8)	(20)	-	(20)
Gains on investments	-	(62)	(62)	-	(728)	(728)
Increase in excess management expenses	-	40	40	-	39	39
	<b>57</b>	<b>(57)</b>	<b>-</b>	<b>68</b>	<b>(68)</b>	<b>-</b>

Losses with a tax value of £1,292,926 (2015: £1,256,619) are available to carry forward against future trading profits. These have not been recognised as a deferred tax asset as recoverability is not sufficiently certain.

6. Dividends	Year ended 30 November 2016	Year ended 30 November 2015
	£'000	£'000
<b>Revenue dividends</b>		
Final revenue dividend for year ended 30 November 2015 of 0.4p (2014: 0.2p) paid on 29 April 2016	309	155
	<b>309</b>	<b>155</b>
<b>Capital dividends</b>		
Final capital dividend for year ended 30 November 2015 of 1.35p (2014: 1.50p) paid on 29 April 2016	1,044	1,164
Interim capital dividend for year ended 30 November 2016 of 0.95p (2015: 0.9p) paid on 9 September 2016	734	697
	<b>1,778</b>	<b>1,861</b>

We set out below the final dividends proposed in respect of the financial year, which reflect the requirements of Section 274 of the Income Tax Act 2007.

	Year ended 30 November 2016	Year ended 30 November 2015
	£'000	£'000
<b>Revenue dividends</b>		
Revenue available for distribution by way of dividends for the year	<b>268</b>	<b>363</b>
Final revenue dividend proposed for the year ended 30 November 2016 of 0.2p (2015: 0.4p) payable on 28 April 2017	154	309
	<b>154</b>	<b>309</b>
<b>Capital dividends</b>		
Final capital dividend proposed for the year ended 30 November 2016 of 1.50p (2015: 1.35p) payable on 28 April 2017	1,157	1,044
	<b>1,157</b>	<b>1,044</b>

7. Return per Ordinary Share	Year ended 30 November 2016	Year ended 30 November 2015
The returns per share have been based on the following figures:		
Weighted average number of Ordinary Shares	77,277,480	75,119,671
Revenue return	£268,000	£363,000
Capital return	(£120,000)	£3,125,000
<b>Total return</b>	<b>£148,000</b>	<b>£3,488,000</b>

8. Investments	Year ended 30 November 2016			Total £'000
	Listed (quoted prices) £'000	AIM/ISDX (quoted prices) £'000	Unlisted (unobservable inputs) £'000	
<b>Valuation at 30 November 2015</b>	<b>3,298</b>	<b>11,006</b>	<b>16,184</b>	<b>30,488</b>
Unrealised (gain)/loss	(3)	3,560	1,106	4,663
<b>Cost at 30 November 2015</b>	<b>3,295</b>	<b>14,566</b>	<b>17,290</b>	<b>35,151</b>
<b>Movements during the year:</b>				
Purchases	9,317	-	1,349	10,666
Sales	(11,600)	(1,651)	(2,137)	(15,388)
Realised gain	21	198	968	1,187
<b>Cost at 30 November 2016</b>	<b>1,033</b>	<b>13,113</b>	<b>17,470</b>	<b>31,616</b>
Unrealised gain/(loss)	8	(4,017)	(1,530)	(5,539)
<b>Valuation at 30 November 2016</b>	<b>1,041</b>	<b>9,096</b>	<b>15,940</b>	<b>26,077</b>

Note 1(f) defines the three-tier hierarchy of investments, and the significance of the information used to determine their fair value, that is required by Financial Reporting Standard 102 Section 11 "Basic Financial Instruments." Listed and AIM/ISDX securities are categorised as Level 1 and unlisted investments as Level 3.

FRS 102 requires disclosure, by class of financial instrument, if the effect of changing one or more inputs to reasonably possible alternative assumptions would result in a significant change to the fair value measurement. The information used in determination of the fair value of Level 3 to the specific underlying investments is chosen with reference to the circumstances and position of each investee company. The Directors are of the view that there are no reasonably possible alternative assumptions that will have a significant effect on the valuation of the unlisted portfolio.



<b>8. Investments (continued)</b>	<b>30 November 2016</b>	<b>30 November 2015</b>
<b>The portfolio valuation held at market valuation</b>	<b>£'000</b>	<b>£'000</b>
AIM/ISDX quoted equities	9,096	11,006
UK treasury bills	-	3,298
Investment trusts	1,041	-
	<b>10,137</b>	<b>14,304</b>
<b>Unlisted at Directors' valuation:</b>		
Unquoted unobservable equities	6,263	5,884
Unquoted unobservable fixed income	9,677	10,300
	<b>15,940</b>	<b>16,184</b>
<b>Total</b>	<b>26,077</b>	<b>30,488</b>
Realised gains on historical basis	1,187	1,581
Net (decrease)/increase in value of investments	(876)	2,000
<b>Gains on investments</b>	<b>311</b>	<b>3,581</b>

### 9. Participating interests

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

At 30 November 2016, the Company held no shares amounting to 20% or more of the equity capital of any of the unlisted or quoted undertakings. The Company does hold shares or units amounting to more than 3% or more of the nominal value of the allotted shares or units of any class in certain investee companies.

Details of equity percentages held are shown in the Investment Portfolio Summary on pages 30 to 32.

<b>10. Debtors</b>	<b>30 November 2016</b> £'000	<b>30 November 2015</b> £'000
Prepayments and accrued income	210	162
Other debtors	-	6
	<b>210</b>	<b>168</b>

<b>11. Creditors</b>	<b>30 November 2016</b> £'000	<b>30 November 2015</b> £'000
Accruals	191	341
Other creditors	188	-
	<b>379</b>	<b>341</b>

<b>12. Share capital</b>	<b>30 November 2016</b>		<b>30 November 2015</b>	
	Number	£'000	Number	£'000
At 30 November the authorised share capital comprised:				
Allotted, issued and fully paid Ordinary Shares of 10p each:				
Balance brought forward	77,341,087	7,734	67,602,492	6,760
Ordinary shares repurchased during the year	(230,000)	(23)	(390,000)	(39)
Ordinary shares issued during the year	-	-	10,128,595	1,013
<b>Balance carried forward</b>	<b>77,111,087</b>	<b>7,711</b>	<b>77,341,087</b>	<b>7,734</b>

During the year, 230,000 Ordinary Shares (2015: 390,000) were bought back in the market by the Company at a total cost of £82,470 (2015: £130,865) and cancelled.

During the year, the Company issued no shares (2015: 10,039,358 shares at Subscription Prices ranging from 39.50p to 40.62p per share).

During the year, the Company issued no shares under a DIS election (2015: 89,237 at a price of 38.63p per share).

### 13. Reserves

#### Share premium account

The share premium account represents the premium above nominal value received by the Company on issuing shares net of issue costs.

#### Capital reserves

Gains or losses on investments realised in the year that have been recognised in the Income Statement are transferred to the capital reserve realised account on disposal. Furthermore, any prior unrealised gains or losses on such investments are transferred from the capital reserve unrealised account to the capital reserve realised account on disposal. Increases and decreases in the fair value of investments are recognised in the Income Statement and are then transferred to the capital reserve unrealised account. The capital reserve realised account also represents capital dividends, capital investment management fees and the tax effect of capital items.

#### Special distributable reserve

The total cost to the Company of the repurchase and cancellation of shares is represented in the special distributable reserve account.

#### Capital redemption reserve

The nominal value of shares repurchased and cancelled is represented in the capital redemption reserve.

#### Revenue reserve

The revenue reserve represents accumulated profits retained by the Company that have not been distributed to shareholders as a dividend.

### 14. Net asset value per Ordinary Share

The net asset value per Ordinary Share and the net asset value attributable to the Ordinary Shares at the year end, calculated in accordance with the Articles of Association were as follows:

	<b>30 November 2016</b>		<b>30 November 2015</b>
	<b>Net asset value per share p</b>	<b>Net asset value attributable £'000</b>	<b>Net asset value per share p</b>
			<b>Net asset value attributable £'000</b>
<b>Ordinary Shares</b>	<b>38.92</b>	<b>30,011</b>	<b>41.42</b>
			<b>32,032</b>

The number of Ordinary Shares used in this calculation is set out in Note 12.

<b>15. Reconciliation of net return to cash generated by operations</b>	<b>Year ended 30 November 2016 £'000</b>	<b>Year ended 30 November 2015 £'000</b>
Net return	148	3,488
Adjustment for:		
Gains on Investments	(311)	(3,581)
Income from Investments	(779)	(830)
Other income	(3)	-
<b>Operating cash flow before movement in working capital</b>	<b>(945)</b>	<b>(923)</b>
(Increase)/decrease in prepayments	(5)	10
(Decrease)/increase in accruals	(150)	59
<b>Cash utilised by operations</b>	<b>(1,100)</b>	<b>(854)</b>

## 16. Derivatives and other financial instruments

The Company's financial instruments comprise equity and fixed interest investments, cash balances and debtors and creditors that arise directly from its operations, for example, in respect of sales and purchases awaiting settlement, and debtors for accrued income. The Company holds financial assets in accordance with its investment policy of investing mainly in a portfolio of VCT qualifying unquoted and AIM quoted securities. The Company may not enter into derivative transactions in the form of forward foreign currency contracts, futures and options without the written permission of the Directors. No derivative transactions were entered into during the period.

The main risks the Company faces from its financial instruments are (i) market price risk, being the risk that the value of investment holdings will fluctuate as a result of changes in market prices caused by factors other than interest rates, (ii) interest rate risk, (iii) liquidity risk, (iv) credit risk and (v) price risk sensitivity. In line with the Company's investment objective, the portfolio comprises mainly sterling currency securities and therefore foreign currency risk is minimal.

The Manager's policies for managing these risks are summarised below and have been applied throughout the year. The numerical disclosures below exclude short term debtors and creditors which are included in the Balance Sheet at fair value.

### (i) Market price risk

The Company's investment portfolio is exposed to market price fluctuations, which are monitored by the Manager in pursuance of the investment objective as set out on page 13. Adherence to investment guidelines and to investment and borrowing powers set out in the management agreement mitigates the risk of excessive exposure to any particular type of security or issuer. These powers and guidelines include the requirement to invest across a range of industrial and service sectors at varying stages of development, to closely monitor the progress of the investee companies and to appoint a non-executive director to the board of each company. Further information on the investment portfolio (including sector concentration and deal type analysis) is set out in the Analysis of Unlisted and Quoted Portfolio, Investment Manager's Review, Summary of Investment Changes, Investment Portfolio Summary and Largest Investments by Valuation.

### (ii) Interest rate risk

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

At 30 November 2016	Fixed interest £'000	Floating rate £'000	Non-interest bearing £'000
<b>Sterling</b>			
Unlisted and AIM/ISDX	9,677	-	15,359
Investment trusts	-	-	1,041
Cash	-	4,103	-
	<b>9,677</b>	<b>4,103</b>	<b>16,400</b>

At 30 November 2015	Fixed interest £'000	Floating rate £'000	Non-interest bearing £'000
<b>Sterling</b>			
Unlisted and AIM/ISDX	10,300	-	16,890
UK treasury bills	-	-	3,298
Cash	-	1,717	-
	<b>10,300</b>	<b>1,717</b>	<b>20,188</b>

The unlisted fixed interest assets have a weighted average life of 2.38 years (2015: 3.22 years) and a weighted average interest rate of 7.2% (2015: 7.18%). The floating rate assets consist of cash.

These assets are earning interest at prevailing money market rates. The non-interest bearing assets represent the equity element of the portfolio. All assets and liabilities of the Company are included in the Balance Sheet at fair value.

**16. Derivatives and other financial instruments (continued)***Maturity profile*

The maturity profile of the Company's financial assets at the balance sheet date was as follows:

	Within 1 year £'000	Within 1-2 years £'000	Within 2-3 years £'000	Within 3-4 years £'000	Within 4-5 years £'000	More than 5 years £'000	Total £'000
<b>At 30 November 2016</b>							
Unlisted	3,553	2,054	1,021	2,696	218	135	9,677
	<b>3,553</b>	<b>2,054</b>	<b>1,021</b>	<b>2,696</b>	<b>218</b>	<b>135</b>	<b>9,677</b>

	Within 1 year £'000	Within 1-2 years £'000	Within 2-3 years £'000	Within 3-4 years £'000	Within 4-5 years £'000	More than 5 years £'000	Total £'000
<b>At 30 November 2015</b>							
UK treasury bills	3,298	-	-	-	-	-	3,298
Unlisted	539	3,791	1,812	1,179	2,979	-	10,300
	<b>3,837</b>	<b>3,791</b>	<b>1,812</b>	<b>1,179</b>	<b>2,979</b>	<b>-</b>	<b>13,598</b>

**(iii) Liquidity risk**

Due to their nature, unlisted investments may not be readily realisable and therefore a portfolio of listed assets and cash is held to offset this liquidity risk. Note 8 details the three-tier hierarchy of inputs used as at 30 November 2016 in valuing the Company's investments carried at fair value.

The Company, generally, does not hold significant cash balances and any cash held is with reputable banks with high quality external credit ratings.

**(iv) Credit risk**

This is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Company.

The Company's financial assets exposed to credit risk amounted to the following :

	<b>30 November 2016</b> £'000	<b>30 November 2015</b> £'000
Investments in unlisted debt securities	9,677	10,300
UK treasury bills	-	3,298
Investment trusts	1,041	-
Cash	4,103	1,717
	<b>14,821</b>	<b>15,315</b>

**16. Derivatives and other financial instruments (continued)**

All fixed interest assets which are traded on a recognised exchange and all the Company's cash balances are held by JP Morgan Chase Bank (JPM), the Company's custodian. Should the credit quality or the financial position of JPM deteriorate significantly the Manager will move these assets to another financial institution.

The Manager evaluates credit risk on unlisted debt securities and financial commitments and guarantees prior to investment, and as part of the ongoing monitoring of investments. In doing this, it takes into account the extent and quality of any security held. Typically, unlisted debt securities have a fixed charge over the assets of the investee company in order to mitigate the gross credit risk. The Manager receives management accounts from investee companies, and members of the investment management team sit on the boards of investee companies; this enables the close identification, monitoring and management of investment specific credit risk.

There were no significant concentrations of credit risk to counterparties at 30 November 2016 or 30 November 2015.

**(v) Price risk sensitivity**

The following details the Company's sensitivity to a 10% increase or decrease in the market prices of AIM/ISDX quoted securities, with 10% being the Manager's assessment of a reasonable possible change in market prices.

At 30 November 2016, if market prices of AIM/ISDX quoted securities had been 10% higher or lower and with all other variables held constant, the increase or decrease in net assets attributable to Ordinary Shareholders for the year would have been £909,600 (2015: £1,100,600) due to the change on valuation of financial assets at fair value through profit or loss.

At 30 November 2016, 53.1% (2015: 50.5%) comprised investments in unquoted companies held at fair value. The valuations of unquoted investments reflect a number of factors, including the performance of the investee company itself and the wider market. Therefore, it is not considered meaningful to provide a sensitivity analysis on the net asset position and total return for the year.

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# NOTICE OF ANNUAL GENERAL MEETING

**Notice is hereby given that the Annual General Meeting of Maven Income and Growth VCT 5 PLC (the Company: Registered in England and Wales with registered number 4084875) will be held at 10.00am on Tuesday, 25 April 2017 at the offices of Maven Capital Partners UK LLP, Fifth Floor, 1-2 Royal Exchange Buildings, London EC3V 3LF, for the purposes of considering and, if thought fit, passing the following Resolutions:**

## Ordinary Resolutions

1. To receive the Directors' Report and audited Financial Statements for the year ended 30 November 2016.
2. To approve the Directors' Remuneration Report for the year ended 30 November 2016.
3. To approve the Directors' Remuneration Policy for the three-year period ending 30 November 2019.
4. To approve a final dividend of 1.70p per ordinary share of 10p each in the capital of the Company (Ordinary Shares) for payment on 28 April 2017 to Shareholders on the register at the close of business on 31 March 2017.
5. To re-elect Gordon Humphries as a Director.
6. To re-elect Allister Langlands as a Director.
7. To re-elect Charles Young as a Director.
8. To appoint Deloitte LLP as Auditor.
9. To authorise the Directors to fix the remuneration of the Auditor.
10. That the Directors be and are hereby generally and unconditionally authorised under Section 551 of the Companies Act 2006 (the Act) to exercise all the powers of the Company to allot Ordinary Shares, or grant rights to subscribe for or convert any security into Ordinary Shares, up to an aggregate nominal amount of £771,110 (equivalent to 7,711,108 Ordinary Shares or 10% of the total issued share capital as at 3 March 2017) provided that this authority shall expire at the conclusion of the next Annual General Meeting of the Company or on the expiry of 15 months from the passing of this Resolution, whichever is the first to occur, and so 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 Directors may allot relevant securities in pursuance of such offer or agreement as if the authority conferred had not expired.

## Special Resolutions

11. That, subject to the passing of Resolution 10, the Directors be and hereby are empowered, under Section 571 of the Act, to allot equity securities (as defined in Section 560 of the Act) under the authority conferred by Resolution 10 for cash as if Section 561(1) of the Act did not apply to the allotment, provided that this power shall be limited to the allotment:
  - a) of equity securities in connection with an offer of such securities by way of a rights issue only to holders of Ordinary Shares in proportion (as nearly as practicable) to their respective holdings of such Ordinary Shares but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or any legal or practical problems under the laws of any territory, or the requirements of any regulatory body or stock exchange;
  - b) (other than under paragraph (a) above) of equity securities up to an aggregate nominal amount not exceeding £771,110 (equivalent to 7,711,108 Ordinary Shares or 10% of the total issued share capital as at 3 March 2017); and
  - c) in each case where the proceeds may be used in whole or in part to purchase existing Ordinary Shares and shall expire at the conclusion of the next Annual General Meeting of the Company or on the expiry of 15 months from the passing of this Resolution, whichever is the first to occur, save that the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer or agreement as if the power conferred hereby had not expired.

12. That, the Company be and hereby is generally and, subject as hereinafter appears, unconditionally authorised in accordance with Section 701 of the Act to make market purchases (within the meaning of Section 693(4) of the Act) of Ordinary Shares, provided always that:
- a) the maximum number of Ordinary Shares hereby authorised to be purchased is 11,558,951 (being 14.99% of the total issued share capital as at 3 March 2017);
  - b) the minimum price, exclusive of expenses, that may be paid for an Ordinary Share shall be 10p per share;
  - c) the maximum price exclusive of expenses, that may be paid for an Ordinary Share shall be not more than an amount equal to the higher of:
    - (i) 105% of the average of the closing middle market price for the Ordinary Shares as derived from the London Stock Exchange's Daily Official List for the five business days immediately preceding the date on which the Ordinary Shares are purchased; and
    - (ii) the price stipulated by Article 5(1) of Commission Regulation (EC) No. 273/2003 (the Buy-back and Stabilisation Regulation); and
  - (d) unless previously renewed, varied or revoked, the authority hereby conferred shall expire at the conclusion of the next Annual General Meeting of the Company or, if earlier, on the expiry of 15 months from the passing of this Resolution, save that the Company may before such expiry enter into a contract to purchase Ordinary Shares which will or may be completed wholly or partly after such expiry.
13. That a general meeting, other than an annual general meeting, may be called on not less than 14 days' clear notice.

**By order of the Board**  
**Maven Capital Partners UK LLP**  
**Secretary**  
**Fifth Floor**  
**1-2 Royal Exchange Buildings**  
**London**  
**EC3V 3LF**  
**6 March 2017**

## NOTES:

### Entitlement to attend and vote

- 1) To be entitled to attend and vote at the Meeting (and for the purposes of the determination by the Company of the votes that may be cast in accordance with Regulation 41 of the Uncertified Securities Regulations 2001), only those members registered in the Company's register of members at 10.00am on 21 April 2017 (or, if the Meeting is adjourned, by close of business on the date which is two business days before the adjourned Meeting) shall be entitled to attend and vote at the Meeting. Changes to the register of members of the Company after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the Meeting.

### Website giving information regarding the Meeting

- 2) Information regarding the Meeting, including the information required by Section 311A of the Companies Act 2006, is available from [www.mavencp.com/migvct5](http://www.mavencp.com/migvct5)

### Attending in person

- 3) If you wish to attend the Meeting in person, please bring some form of identification.

### Appointment of proxies

- 4) If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the Meeting and you should have received a proxy form with this Notice of Annual General Meeting. You can appoint a proxy only using the procedures set out in these notes and the notes to the proxy form.
- 5) If you are not a member of the Company but you have been nominated by a member of the Company to enjoy information rights, you do not have a right to appoint any proxies under the procedures set out in this "Appointment of proxies" section. Please read the section "Nominated persons" below.
- 6) A proxy does not need to be a member of the Company but must attend the Meeting to represent you. Details of how to appoint the Chairman of the Meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
- 7) 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, please copy the proxy form, indicate on each form how many shares it relates to, and attach them together.
- 8) A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.

### Appointment of proxy using hard copy proxy form

- 9) A form of proxy is enclosed with this document. The notes to the proxy form explain how to direct your proxy to vote or withhold their vote on each Resolution. To appoint a proxy using the proxy form, the form must be completed, signed and sent or delivered to the Company's registrars, Capita Asset Services, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU so as to be received by Capita Asset Services no later than 10.00am on 21 April 2017 or by close of business on a date two business days prior to that appointed for 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. In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form. For the purposes of determining the time for delivery of proxies, no account has been taken of any part of a day that is not a working day.

### Appointment of a proxy online

- 10) You may submit your proxy electronically using the Share Portal service at [www.capitashareportal.com](http://www.capitashareportal.com). Shareholders can use this service to vote or appoint a proxy on-line. The same voting deadline of 48 hours (excluding non-working days) before the time of the meeting applies as if you were using your personalised Form of Proxy to vote or appoint a proxy by post to vote for you. Shareholders will need to use the unique personal identification Investor Code printed on your share certificate. Shareholders should not show this information to anyone unless they wish to give proxy instructions on their behalf.

### Appointment of proxies through CREST

- 11) CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the Meeting and any adjournment(s) of it by using the procedures described in the CREST Manual (available from <https://www.euroclear.com/site/public/EUI>). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK & Ireland Limited's (EUI) specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (ID: RA10) by 10.00am on 21 April 2017. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time.

In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

#### **Appointment of proxy by joint members**

12) In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding, the first-named being the most senior.

#### **Changing proxy instructions**

13) To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off times for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded. Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact Capita Registrars at the address shown in note 9. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

#### **Termination of proxy appointments**

14) In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Capita Asset Services, at the address shown in note 9. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed, or a duly certified copy of such power or authority, must be included with the revocation notice. The revocation notice must be received by Capita Asset Services no later than 48 hours before the Meeting. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid. Appointment of a proxy does not preclude you from attending the Meeting and voting in person. If you have appointed a proxy and attend the Meeting in person, your proxy appointment will automatically be terminated.

#### **Corporate representatives**

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

#### **Issued shares and total voting rights**

16) As at 3 March 2017, the Company's issued share capital comprised 77,111,087 Ordinary shares of 10p each. Each Ordinary Share carries the right to one vote at the Annual General Meeting of the Company and, therefore, the total number of voting rights in the Company on 3 March 2017 is 77,111,087. The website referred to in note 2 will include information on the number of shares and voting rights.

#### **Questions at the meeting**

17) Under Section 319A of the Act, the Company must answer any question you ask relating to the business being dealt with at the Meeting unless:

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

#### **Website publication of audit concerns**

18) Pursuant to Chapter 5 of Part 16 of the Act (Sections 527 to 531), where requested by a member or members meeting the qualification criteria set out at note 19 below, the Company must publish on its website, a statement setting out any matter that such members propose to raise at the Meeting relating to the audit of the Company's accounts (including the Auditor's report and the conduct of the audit) that are to be laid before the Meeting. The request:

- may be in hard copy form or in electronic form (see note 20 below);
- must either set out the statement in full or, if supporting a statement sent by another member, clearly identify the statement which is being supported;
- must be authenticated by the person or persons making it (see note 20 below); and
- must be received by the Company at least one week before the Meeting. Where the Company is required to publish such a statement on its website:
  - it may not require the members making the request to pay any expenses incurred by the Company in complying with the request;
  - it must forward the statement to the Company's Auditor no later than the time the statement is made available on the Company's website; and
  - the statement may be dealt with as part of the business of the Meeting.

**Members' qualification criteria**

19) In order to be able to exercise the members' rights under note 18 the relevant request must be made by a member or members having a right to vote at the Meeting and holding at least 5% of total voting rights of the Company, or at least 100 members having a right to vote at the Meeting and holding, on average, at least £100 of paid up share capital. For information on voting rights, including the total number of voting rights, see note 16 above and the website referred to in note 2.

**Submission of hard copy and electronic requests and authentication requirements**

20) Where a member or members wishes to request the Company to publish audit concerns (see note 18) such request must be made in accordance with one of the following ways:

- a hard copy request which is signed by you, states your full name and address and is sent to The Secretary, Maven Income and Growth VCT 5 PLC, c/o Maven Capital Partners UK LLP, Kintyre House, 205 West George Street, Glasgow G2 2LW; or
- a request which states your full name, address, and investor code, and is sent to enquiries@mavencp.com stating "AGM" in the subject field.

**Nominated persons**

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

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

**Documents on display**

22) Copies of the letters of appointment of the Directors of the Company and a copy of the Articles of Association of the Company will be available for inspection at the registered office of the Company and at the offices of Maven Capital Partners UK LLP, Kintyre House, 205 West George Street, Glasgow G2 2LW from the date of this notice until the end of the Meeting.

**Communication**

23) 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 Maven Capital Partners UK LLP (the Secretary) on 0141 306 7400; or
- e-mailing enquiries@mavencp.com, stating "AGM" in the subject field.

**Registered in England and Wales:  
Company Number 4084875**



# EXPLANATORY NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING

An explanation of the Resolutions to be proposed at the Annual General Meeting is set out below. Resolutions 1 to 10 will be proposed as Ordinary Resolutions requiring the approval of more than 50% of the votes cast and Resolutions 11 to 13 will be proposed as Special Resolutions requiring the approval of 75% or more of the votes cast.

## **Resolution 1 – Annual Report and Financial Statements**

The Directors seek approval to receive the Directors' Report and audited Financial Statements for the year ended 30 November 2016 which are included within the Annual Report.

## **Resolution 2 – Directors' Remuneration Report**

The Board seeks the approval of the Directors' Remuneration Report for the year ended 30 November 2016, which is also included within the Annual Report.

## **Resolution 3 – Remuneration Policy**

The Board seeks the approval of its Remuneration Policy to be applied during the three-year period ending 30 November 2019, which is also included within the Remuneration Report.

## **Resolution 4 – Final dividend**

The Company's Shareholders will be asked to approve a final dividend of 1.70p per Ordinary Share for the year ended 30 November 2016 for payment on 28 April 2017 to Shareholders on the register at the close of business on 31 March 2017.

## **Resolution 5 – Re-election of a Director**

As the Board has resolved that each Director should stand for re-election on an annual basis, Gordon Humphries will retire at the Annual General Meeting and, being eligible, is offering himself for re-election.

## **Resolution 6 – Re-election of a Director**

As the Board has resolved that each Director should stand for re-election on an annual basis, Allister Langlands will retire at the Annual General Meeting and, being eligible, is offering himself for re-election.

## **Resolution 7 – Re-election of a Director**

As the Board has resolved that each Director should stand for re-election on an annual basis, Charles Young will retire at the Annual General Meeting and, being eligible, is offering himself for re-election.

## **Resolution 8 – Appointment of Auditor**

Shareholders will be asked to approve the appointment of Deloitte LLP as the Company's new Auditor. Deloitte LLP having expressed their willingness to act.

## **Resolution 9 – Remuneration of Auditor**

Shareholders will be asked to give the Directors' authority to fix the remuneration of Deloitte LLP.

## **Resolution 10 – Authority to Allot Shares**

The Directors are seeking authority pursuant to Section 551 of the Act for the Company to allot Ordinary Shares or rights to subscribe for Ordinary Shares up to an aggregate nominal value of £771,110.

This amounts to 7,711,108 Ordinary Shares representing approximately 10% of the issued share capital as at 3 March 2017 (this being the latest practicable date prior to the publication of this Annual Report). This authority will be used for the purposes set out in Resolution 10. The authority conferred by Resolution 10 will expire at the conclusion of the next Annual General Meeting of the Company or on the expiry of 15 months from the passing of the Resolution, whichever is the first to occur.

## **Resolution 11 – Waiver of Statutory Pre-emption Rights**

Shareholders will be asked to grant authority to the Directors to allot Ordinary Shares (i) on a pre-emptive basis to existing Shareholders as far as possible, subject to excluding circumstances where it is impractical to apply the strict pro-rating; and (ii) otherwise allot Ordinary Shares or rights to subscribe for Ordinary Shares up to an aggregate nominal value of £771,110 (representing approximately 10% of the issued share capital as at 3 March 2017, this being the latest practicable date prior to the publication of this Annual Report) as if the pre-emption rights of Section 561 of the Act did not apply, in each case where the proceeds may be used in whole or in part to purchase existing Ordinary Shares. The authority conferred by Resolution 11 will expire at the conclusion of the next Annual General Meeting of the Company or on the expiry of 15 months from the passing of the Resolution, whichever is the first to occur.

The Board may use the authorities conferred under Resolutions 10 and 11 to allot further Ordinary Shares or rights to subscribe for them.

## **Resolution 12- Purchase of Own Shares**

Shareholders will be asked to authorise the Company to make market purchases of up to 11,558,951 Ordinary Shares (representing approximately 14.99% of the issued share capital as at 3 March 2017, this being the latest practicable date prior to the publication of this Annual Report). The Resolution sets out the minimum and maximum prices that can be paid, exclusive of expenses, and Ordinary Shares bought back may be cancelled or held in treasury as may be determined by the Board. The authority conferred by Resolution 12 will expire at the conclusion of the next Annual General Meeting of the Company or on the expiry of 15 months from the passing of the Resolution, whichever is the first to occur. Once held in treasury, such Ordinary Shares may be sold for cash or cancelled. The Board may use this authority to allow the Company to continue to operate its share buy-back policy.

## **Resolution 13 – Notice of General Meetings**

The Directors propose to preserve the Company's ability to call general meetings (other than annual general meetings) on 14 clear days' notice, as previously approved by Shareholders at the last Annual General Meeting. Resolution 13 seeks such approval and would be effective until the Company's next Annual General Meeting when it would be intended that a similar Resolution be proposed. It is anticipated that, if confirmed, such authority will only be used in exceptional circumstances. The Company will also need to meet the requirements for electronic voting before it can call a general meeting on 14 days' notice.

# YOUR NOTES

# YOUR NOTES



# CONTACT INFORMATION

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<b>Directors</b>	Allister Langlands (Chairman) Gordon Humphries Charles Young
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<b>Manager and Secretary</b>	Maven Capital Partners UK LLP Kintyre House 205 West George Street Glasgow G2 2LW Telephone: 0141 306 7400 E-mail: <a href="mailto:enquiries@mavencp.com">enquiries@mavencp.com</a>
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<b>Registered Office</b>	Fifth Floor 1-2 Royal Exchange Buildings London EC3V 3LF
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<b>Registered in England and Wales</b>	Company Registration Number: 4084875
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<b>Website</b>	<a href="http://www.mavencp.com/migvct5">www.mavencp.com/migvct5</a>
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<b>Registrars</b>	Capita Asset Services The Registry 34 Beckenham Road Beckenham Kent BR3 4TU  Website: <a href="http://www.capitaassetservices.com">www.capitaassetservices.com</a> Shareholder Portal: <a href="http://www.capitashareportal.com">www.capitashareportal.com</a> Shareholder Helpline: 0333 300 1566 (Lines are open 9 am until 5.30 pm, Monday to Friday excluding public holidays in England and Wales. Calls are charged at the standard rates used for 01 and 02 UK geographic numbers and will vary by provider. Calls from outside the United Kingdom should be made to +44 208 639 3399 and will be charged at the applicable international rate.)
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<b>Auditor</b>	Deloitte LLP
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<b>Bankers</b>	J P Morgan Chase Bank
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<b>Stockbrokers</b>	Shore Capital Stockbrokers Limited Telephone: 020 7647 8132
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<b>VCT Adviser</b>	Phillip Hare & Associates LLP
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**Maven Capital Partners UK LLP**

Kintyre House  
205 West George Street  
Glasgow G2 2LW  
Tel: 0141 306 7400

Authorised and Regulated by  
The Financial Conduct Authority

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